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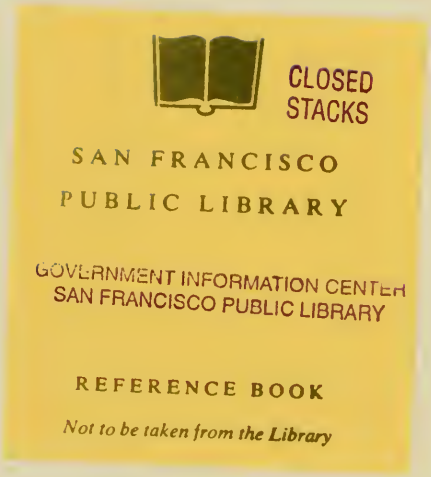

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SAN FRANCISCO AIRPORTS COMMISSION

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MINUTES

Tuesday, January 15, 1980

DIANNE FEINSTEIN, MAYOR

COMMISSIONERS

MORRIS BERNSTEIN
President
WILLIAM K. COBLENTZ
Vice-President
RUTH S. KADISH
DR. Z.L. GOOSBY
J. EDWARD FLEISHELL

RICHARD R. HEATH
Director of Airports

San Francisco International Airport
San Francisco, California 94128

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MINUTES
OF THE
AIRPORTS COMMISSION
MEETING

Tuesday, January 15, 1980

1. Call to Order:

The regular meeting of the Airports Commission was called to order at 2:10 p.m., in Room 282, City Hall, San Francisco, CA.

* * *

2. Roll Call:

Present: Commissioners Morris Bernstein, Ruth S. Kadish, Z. L. Goosby, J. Edward Fleishell.

Absent: None

* * *

3. Pledge of Allegiance: Led by Commissioner Goosby.

* * *

4. Approval of Minutes:

The following resolution was unanimously approved:

No. 80-0001 Resolution adopting Minutes of the Airports Commission Meeting of December 4, 1979.

* * *

8. Consent Calendar.

The following resolution was unanimously adopted:

(23) Retirement Resolution.

No. 80-0002 — Resolution expressing thanks to James A. O'Malley and his wife, noting that Mr. O'Malley had really put the Airport emergency response system together.

Commission President Bernstein congratulated Mr. O'Malley on his retirement and all the Commissioners added their congratulations.

* * *

4A. Special Item: Briefing on Mayor Feinstein's proposed Joint Powers Authority.

Mr. Richard Heath, Director of Airports, gave a briefing on the proposed plan to establish a joint powers authority. He said that his comments would be, primarily, a public discussion of the material contained in Mayor Feinstein's briefing paper (a copy of which is attached and included by reference).

There was extensive questioning by the Commissioners regarding the financing arrangements suggested for the joint powers agreement. Commissioner Fleishell suggested that more information should be put in writing.

Commissioner Kadish requested that more detail be filled in regarding economics, personnel, operations and capital improvements. She also suggested that the Charter Commission be apprised of the proposal.

Commissioner Fleishell said that it was his feeling that the Commission wanted to have the staff put together a task force to move the project ahead as fast as possible.

Commissioner Bernstein said that perhaps some additional help would be needed for further work on the proposal.

Commissioner Goosby asked if an outside evaluation of the proposal had been done.

Mr. Heath said that that had been done.

Commissioner Bernstein said he believed Mr. Heath was asking for Commission approval of the necessity for staff to work on development of the joint powers authority proposal.

Mr. Heath said that that was correct; a lot of his time and that of his staff would have to be spent on talking with people about the proposal.

Commissioner Bernstein asked questions regarding the refinancing of the Airport debt. Mr. Heath discussed the general conditions under which debt was refinanced and how it was proposed that the Airport debt be refinanced.

Commissioner Goosby said that he would like to be involved with the proposal as it was developed.

Commissioner Fleishell said that he felt there were substantial benefits from this proposal and also some problems that would have to be worked out.

Mr. Richard Jamison of American Airlines said that he had been involved with two refinancings of existing debt and he had learned that things do not always work out as presented at the outset. But, he said, it had always been his feeling that some sort of refinancing of the bonded indebtedness should be part of the settlement of the suit brought by the airlines against the City and County of San Francisco.

He said that apparently the decision had been made unilaterally to go ahead with this plan. But a unilateral solution is no solution. The proposed plan has the germ of a solution, but not when imposed by fiat.

He said that he did not want to throw cold water on the proposal because he felt it was the foundation of a settlement of a lot of problems.

* * *

Director's Reports

(1) Commencement Dates - North Terminal Concessions

Mr. Heath reported on the status of the five concessions which have been awarded by the Airports Commission and which have not yet commenced operations in the North Terminal Building. The concessionaires have been notified that the last possible start-up date would be April 1, 1980 for the Sunglass Kiosk and the Crab Kiosk and May 1, 1980 for the Candy Shop, Jewelry Shop and Flower Shop. The rents will start on that date whether they are in operation or not and, if they are in operation before that, of course, the rents will start before that. The reason for the delays are due to plans and specifications not submitted and to a protest from the second bidder on the Flower Shop. By request of the Commission, a design review board has been established to review all of the concessions architectural designs to make sure they fit in with the basic aesthetic plan. Howard Friedman, Bob Lee, J. Peter Singer and Jason Yuen will serve on the review board and in the case of the Central and South Terminal, the board will be joined by the project architect who will have the authority to comment. This review board will review and approve all designs before they are presented to the Commission.

Commissioner Bernstein questioned if a member of the Commission could serve on the review board.

Mr. Garibaldi stated that the Director sent a memo to the Commission establishing a policy that Commissioners would not serve on the review board but, could request to view the presentation.

Mr. Heath stated that one consideration the Commission should look at, is basically that the Commission serves as a review or semi-appellate judicial capacity in reviewing and making decisions for the managerial staff. If individual Commissioners take part in the development of the proposal, and then sit in review of that particular proposal, it tends to cast some doubt as to the validity of that role as a review board. Another practical matter is getting all of these things coordinated and the additional staff work that is involved in putting out notices of a public hearing and the handling of requests from the press as they come in.

Commissioner Kadish asked how do we justify the Director and a member of the Commission and two or three members of the Art Commission sitting on a committee on which there is a selection of art.

Mr. Heath answered that those are public meetings.

Commissioner Bernstein stated that the matter could be resolved to some degree by Commissioners being notified of meetings.

* * *

(2) FIRM Progress Report

Mr. Heath made the monthly progress report on the implementation of FIRM Project. He said that the Airport was somewhat behind schedule as the accounting staff had not been able to perform quite as rapidly as had been hoped.

* * *

(3) Christmas Festival

This item has received many favorable reports and we are looking into various alternatives to repeating this kind of activity.

Agenda Items Involving Airport Policies or Major Operational Decisions.

The following resolution was unanimously adopted:

(4) Policies on Terminal Space Allocation

No. 80-0003 — Resolution approving and adopting new Airport policies concerning Terminal Space Allocation.

Mr. Jan Blais of United Airlines asked the Commission when answers to his questions raised following the December 4 meeting would be forthcoming. He said that he had hoped they would be answered before the Commission adopted any policy.

Mr. Heath said that Continental, Mexicana and other airlines had continuing problems; that this proposal was not an operating, procedural document, but a policy statement. He said that the procedures were subject to negotiation, but first the Commission had to decide if it wanted, as a policy matter, flexible use of the terminal space.

Commissioner Bernstein said that he had read the comments by the airlines and had found them useful. However, this was a policy statement and the airlines' comments concerned procedures, matters that would be spelled out as the regulations evolved.

Mr. Blais said that he understood that when the regulations and guidelines were developed they would come back to the Commission.

Mr. Heath said that that was absolutely the case, but first a policy would have to be adopted. Following that there would be discussions and negotiations about the procedures.

Commissioner Kadish said that she had asked at the December 5 meeting that the airlines work cooperatively with the staff rather than in an adversary position. So, she was surprised to hear Mr. Blais say that he had not received an answer to his letter.

Mr. Blais said that there had been a meeting with Mr. Heath, a meeting which Commissioners Goosby and Coblentz also attended.

Commissioner Kadish said, though, that she was talking about working cooperatively to resolve any problems.

Commissioner Bernstein asked if at the time Mr. Blais met with Mr. Heath, had Mr. Blais raised the question of why he had not received an answer to his letter with Mr. Heath.

Mr. Blais said that he had not.

Mr. Heath said that he remembered Mr. Blais saying he had no problem with the basic thrust of the policy but he disagreed with the way the policy was worded. Mr. Heath said that he had asked Mr. Blais to send him Mr. Blais' suggestions for different wording.

Commissioner Kadish said that the only proposal she had seen was American Airlines' proposal for a policy statement.

Mr. Heath said that was correct. There had been a number of alternative procedures suggested, but those would be worked out in future discussions.

Commissioner Fleishell said that he was concerned because there didn't seem to be an effective dialogue between the airlines and staff.

Mr. Blais said that his letter following the December 4 Commission meeting was in the form of questions regarding the problems of certain procedures. And he felt that the Commission might want to satisfy itself on some of the procedures before setting a policy. But apparently the Commission will set its direction first and then figure out the exact way to get to the goal. And if that process is one of negotiation, Mr. Blais welcomed that and thought other airlines would continue to be willing to participate in the process.

Mr. Chamberlin of Delta Airlines said that he wishes the procedures would be spelled out before the proposal was locked in its present form.

Mr. Heath said that he keeps hearing from the airlines that he should give details before the direction is set. If you've got the details already, then you don't need to decide on a direction. The first thing you do in any managerial process is to set your goal. We have had a policy that every piece of terminal space would be leased to one airline or another and that an airline would have the freedom to sublease to other airlines. But until the existing policy is changed, he would not want to work out new procedures.

Mr. Heath said that if airlines don't like the proposed policy they should say so. Some airlines have said that. Others have said the policy should be changed.

Mr. John Reagan of TWA said that TWA was opposed to the proposed policy. Under the current arrangements, TWA has worked out an agreement with Alaska Airlines and attempted to meet with Air Pacific.

Mr. Reagan said that he felt there was a lack of communication which was not made any easier by the City Attorney's suggestion that Commissioners couldn't deal with the airlines as a committee.

Mr. Richard Mooney of Continental Airlines said that he had previously communicated with the Commission. He felt there was a real problem in the way space was currently allocated.

He said that the proposed policy did not set any details in concrete but did show an intent by the Commission. The actual program would come out of discussions and negotiations.

Commissioner Fleishell said that he would vote for the proposal on the condition that the rules, when they had been worked out between airlines and staff, would come back to the Commission for approval. He said he could understand how long-resident carriers could resent latecomers coming in and expecting the same quality facilities as airlines that have been at the Airport for many years and invested millions of dollars.

The following resolution was unanimously passed:

(5) Award of Lease Agreement - South Terminal Gift and Sundries Shop, Duty Free Shoppers, Ltd.

No. 80-0004	The lease fixes 25% as the percentage of gross revenues payable, with the bid item being the minimum annual guarantee $190,000 minimum bid. Nine bids were received; the highest bidder was Duty Free Shoppers, Limited, at $1,100,500 minimum annual guarantee.

Commissioner Goosby requested that the Human Rights plan be abailable to him. He also questioned if this was the last of the leases being awarded inasmuch as these leases are for three years and would preclude the Airport awarding any to local smaller firms.

Commissioner Kadish asked that a change be made in the resolution so that the last line would read, "three years commencing May 1, 1980".

The following resolution was discussed but no action taken:

(6) S.F.I.A. Medical Clinic, Inc.

Resolution approving change in bid specifications date for the SFIA Medical Clinic, Inc., from July 1, 1980 to July 1, 1983.

Mr. Heath reported on the development of specifications for a bid on the services of the Medical Clinic commencing July 1, 1980. He said the City Attorney believes that we cannot legally pre-bid this until the existing lease expires on June 30, 1983. We, therefore, do not believe it appropriate to start the bid proceedings at this present time; but to start it at a time far enough in advance of 1983 so that a smooth transition may be made if a new medical group gets the successful bid.

Commissioner Kadish asked the City Attorney, Mr. Garibaldi, if this resolution is predicated on the City Attorney's opinion that there is an exclusive right on the part of the Medical Clinic until 1983 to provide these services. She said it was her understanding that in exclusive contracts of this sort there must be bids.

Mr. Garibaldi replied that the reason there wasn't any bid process in 1971 was that this was a professional services agreement to render services to the Airport and so, did not require a bid.

Commissioner Fleishell stated that a professional services agreement was meant to deal with those situations where professional services will be rendered to the Commission, such as architectural services. If the Airport had hired this doctor to perform medical services to the Airport staff, it need not be bid; but because the doctor is performing services for the public, the principal does not and has never applied.

Commissioner Kadish then stated that her second question was should there not be a re-evaluation of this situation, inasmuch as we are precluded currently from giving out any exclusive contracts without their being put to bid.

Commissioner Goosby requested that Mr. Heath review the rents charged this medical group and make adjustments in the rent to bring it in line with what we charge other tenants at the

Airport and then see if the medical clinic would then voluntarily want to continue until 1983 with that rent in mind, and then return to the Commission with that answer. He said that the Commission should hold this matter in abeyance until we find out what a fair return to the taxpayer for the rent of those two spaces would be plus the enlargement of the two spaces.

Mr. Heath then asked Mr. Garibaldi if we re-do the contract in any way what would be your opinion, today, as to whether it could be negotiated or would have to be bid.

Mr. Garibaldi replied that if it is being set up as the same type of agreement, then it would have to be bid, but, if you are looking at it as a service of the airport for the public there would be a difference and it would have to be negotiated. But if it does render service to the public like a private practice, then it should be like a concession.

Mr. Heath said that he would come back at the next meeting with a rent analysis.

The following resolution was unanimously adopted:

(7) Airport Contract 1100, Boarding Area E, Approval of Budget for Type 1 Contract Modifications and Delegation of Authorization to Director.

No. 80-0005 — Resolution approving budget and authorizing the Director to approve and issue Type 1 modifications in accordance with Airports Commission Resolution 79-0419, adopted December 4, 1979. The maximum allowable budget is $190,564, which equals 1.5% of the contract price of $12,704,330.

Mr. Heath requested approval of the budget and authorization to approve and issue Type 1 modification in accordance with the prior Airports Commission resolution.

The following resolution was unanimously adopted:

(8) Publication of an Airport Magazine

No. 80-0006 — Resolution authorizing the Director of Airports to negotiate for a high quality Airport publication which would provide items of interest to the traveling public, tenants, businesses on the Airport and to employees.

Mr. Heath said that in the center portion of the magazine there could be inserts of various kinds, in-house information for employees at the airport or other inserts for distribution at the terminal. It could be a guide to the Airport, a guide to mass transit, answering questions of how you get from here to there and how much it would cost and where you do to do that. It could be designed so that those inserts could be pulled out and pocketed. The resolution from the Commission would give the Director the authority to negotiate for such a publication. The Airport would retain editorial control to make sure that the articles are not derogatory or contrary to the wishes of the Commission. It would be part of the negotiations as to whether it would be given away or sold and that would depend on the development of advertising.

The publication would not cost the Airport any money. Mr. Heath said that it would be a unique idea and San Francisco would be the first airport in the country to have something first class that won't cost the Airport money.

The following resolution was passed unanimously:

(9) Tenant Improvement: Crab Kiosk, North Terminal Complex, $40,000.

No. 80-0007

Resolution approving the preliminary plans and specifications submitted by Messrs. Salmeri and Contos showing their proposed packaged crab sales facility in the North Terminal Complex.

The work will be done by Messrs Salmeri and Contos at their own and sole expense and without rental credit. The estimated cost is $40,000.

Mr. Heath requested the approval of the resolution approving the preliminary plans and specifications by the successful bidders of the crab sales facility in the North Terminal Complex.

Commissioner Fleishell questioned if the lease was going to provide that they cannot come through the terminal with their goods during the midst of traffic to deliver frozen crab to the crab stand.

Mr. Heath replied that all tenants are subject to operational procedures at the Airport. They will be subject to procedures so that they will not interfere with Airport operations. He said that provision was in the lease.

The following resolution was unanimously adopted:

(10) Tenant Improvement: San Francisco Eyeglass Company, Sunglasses Kiosk Concession, $9,000.00.

No. 80-0008

Resolution approving in concept the preliminary schematics and a rendering submitted by the San Francisco Eyeglass Company, a joint venture, showing their proposed Sunglasses Kiosk Concession stand in the North Terminal Complex.

The work will be done by the San Francisco Eyeglass Company at its own and sole expense and without rental credit at an estimated cost of $9,000.

The following resolution was unanimously adopted:

(11) Acceptance of Donation of Scale Model of San Francisco

No. 80-0009	Resolution accepting donation of a scale model of San Francisco, valued in excess of $35,000, from the Bechtel Power Corporation and requesting acceptance of the gift to San Francisco by the Board of Supervisors.

Mr. Heath requested the approval of acceptance of the donation of a scale model of San Francisco, valued in excess of $35,000, from the Bechtel Power Corporation, who will provide $15,000 for the design and construction of a plastic cover for the display and it will be installed at the west end of the North Terminal.

* * *

. Consent Calendar of Routine Administrative Matters.

The following resolutions were unanimously adopted:

(12) Interdepartmental Work Order -- Design of Interim Police Offices, Contract No. 1287

No. 80-0010	Resolution approving the Interdepartmental Work Order in the amount of $20,000 between the Airports Commission and the Department of Public Works for the Architectural/Engineering services required for the construction of interim offices for the Airport Police and the San Mateo Sheriff's office.

(13) Attendance at AOCI Meeting

No. 80-0011	Resolution approving Richard Heath's attendance at AOCI meeting in Washington, D.C., January 21-23, 1980.

(14) Approval of Claim Settlement

No. 80-0012	Resolution approving the settlement of the claim of Bonnie Helgren in the sum of $8,750.00.

(15) Modification No. 1 and Completion of Professional Services Contract: Appraisal of San Francisco International Airport Properties.

No. 80-0013

Resolution accepting the work under Professional Services Agreement with Valuation Counselors, Inc., Controller's No. 00774, as satisfactorily completed and extending the completion date from April 30, 1979 to December 7, 1979.

Orig. amount of agreement	$21,150.00
Mod. No. 1 (Time extension)	-0-
Final amount of agreement	$21,150.00
Starting date	Jan. 10, 1979
Orig. completion date	Apr. 30, 1979
Actual Completion date	Dec. 7, 1979

(16) Bid Call for Airport Contract No. 1233, Overlay and Reconstruction - Runway 10R-28L, Intersections and Taxiway "J".

No. 80-0014

Resolution approving scope, budget and schedule, and authorizing Director of Airports to call for bids for Contract No. 1233, Overlay and Reconstruction, Runway 10R-28L Intersections and Taxiway "J".

The purpose of this contract is to provide a partial bituminous surface overlay and to reconstruct other portions of the runway in order to upgrade the pavement to accommodate the heavier wide-body jet aircraft.

This contract has been included under ADAP Projects 3, 4 and 9 and will be reimbursed by the FAA up to a maximum of 75% of the construction costs.

Construction time is 120 days.

(17) Rejection of Bids: Airport Contract No. 1195, Improvements to Drainage Sumps - North Terminal.

No. 80-0015

Resolution rejecting bids received on January 3, 1980 for Contract No. 1195, Improvements to Drainage Sumps - North Terminal and authorizing the Director of Airports to readvertise for bids.

The purpose of this project is to eliminate the possibility of a fire or explosion in two of the North Terminal Basement drainage sumps by replacing the existing pumps with explosion proof units and sealing the open sumps and venting them outside the building.

Bids received January 3, 1980:

1. Monterey Mechanical Co.	$28,800
2. E. Mitchell, Inc.	$40,555

Construction budget - $20,000.

(18) Award of Contract No. 1075, Concrete Parking Pad, Pier F, $596,960.00.

No. 80-0016

Resolution awarding Contract No. 1075, Concrete Parking Pad, Pier "F" to Piombo Corporation, 1601 Industrial Way, Belmont, CA 94002, in the total amount of $596,960.00.

The purpose of this contract is to construct additional concrete pads around Pier "F" which will accommodate wide bodied aircraft. The existing asphalt pavements are deteriorating from fuel spills and the existing concrete pads are not large enough for the larger jets.

Three bids received on December 20, 1979:

1. Piombo Corporation	$596,960.00
2. O.C. Jones & Sons	$737,911.25
3. B.Fontana & Sons, Inc.	$851,132.50

Construction time is 115 calendar days.

(19) Completion of Airport Contract No. 1189R, Drainage Improvement at Gate 68, Pier "FF".

No. 80-0017

Resolution accepting the work under Airport Contract No. 1189R, Drainage Improvement at Gate 68, Pier "FF", as satisfactorily completed and approving final payment in the amount of $18,032 in favor of the contractor, Hodgson Construction Inc., 2815 Fair Oaks Ave., Redwood City, CA 94063.

Orig. amount of contract	$18,032.00
Final amount of contract	$18,032.00
Performance time	30 cal. days
Effective date	Oct. 29, 1979
Orig. completion date	Nov. 27, 1979
Actual completion date	Nov. 27, 1979

(20) FAA-ADAP Project No. 6-06-0221-10, Amendment No. 1 to Grant Agreement.

No. 80-0018

Resolution accepting Amendment No. 1 to the ADAP Project No. 6-06-0221-10 Grant Agreement and authorizing the Director of Airports, acting on behalf of the Airports Commission, to accept and execute said Amendment.

The project consists of runway and taxiway shoulder drop-off releveling and blast shoulder extension, reconstruction airfield perimeter dyke, concrete pads - pier F, apron overlay between piers E and F, new fire house, new field lighting building, taxiway centerline lighting and reconstruction and overlay, south end taxiway B. The amendment increases the Federal reimbursement from $3,244,912.00 to $7,102,500.00.

(21) American Airlines - Extension of Plot 40 Lease.

No. 80-0019

Resolution approving extension of Plot 40 ("Superbay Hangar") lease for a period of ten years, beginning November 14, 1979 and terminating November 13, 1989 at an annual rental of $488,240.00, and authorizing the Director of Airports to execute the lease extension letter agreement to document same.

(22) Tenant Improvement: Budget Rent-A-Car, Lot B-1, Rental Car Facilities, $250,000.00.

No. 80-0020

Resolution approving the final plans and specifications submitted by Budget Rent-A-Car showing their proposed full service rental car facility at Lot B-1.

The work will be done by Budget Rent-A-Car at its own and sole expense and without rental credit. The estimated cost is $250,000.

Consent Calendar of Contract Modifications.

The following resolution was adopted, 3 ayes (Kadish, Goosby, Fleishell) to 1 nay (Bernstein):

(24) Airport Contract No. 1000, Modification No. 73 (Debit), Garage: Stage IV - Superstructure Addition, $13,555.00.

No. 80-0021

Resolution approving and requesting the Controller's certification of Debit Modification No. 73 to Airport Contract No. 1000, in the total debit amount of $13,555.00.

The contractor for this project is Robert E. McKee, Inc.

The work consists of revising the toll booth area ventilation, installing a telephone backboard for emergency telephone service in hatch room T112, installing telephone backboard and conduit at the elevator machine room for elevator No. 22 for emergency service, revising sprinkler pipe arrangement and gypsum board furring in Room M121, installing five-type F-16, four (4) feet long, light fixtures in lieu of type F-21 fixtures at sixth level core equipment rooms, and increasing size of the rain water leader settlement pits.

Orig. amount of contract		$50,414,395
Previous mods. (debit)		3,531,752
Revised amount to date		$53,946,147
Mod. No. 73 consisting of: the following:		
Remainder of Bulletin 94 (Debit)	$8,666.	
Bulletin 150	197.	
CMC memo dated Sept. 13, 1979	617.	
CMC field memo 427 (Debit)	1,733.	
CMC field memos 496 & 496A	678.	
SFAA notice of clarification 152 (Debit)	1,664.	13,555
Revised amount of contract		$53,959,702

* * *

0. Items Removed from Consent Calendars.

There were no items removed from the Consent Calendars.

* * *

. Trailing Calendar of Old Business.

There was no discussion of the Trailing Calendar.

* * *

Items Initiated by Commissioners.

Commissioner Fleishell had two items he wished to bring up: one was a letter that he requested Mr. Heath respond to; the other concerned helicopter regulations.

Commissioner Fleishell said that information had gone back and forth on the helicopter matter; He had requested certain statutes and had received xerox copies of statutes, but the copies received did not deal with the issue he was concerned with. Namely, the right of the Airports Commission to deal with helicopters that fly at very low altitude, say 100 feet, over Market Street or land in places such as Civic Center. Additionally, an amendment to the regulations is being proposed and Commissioner Fleishall wanted information on that, too, so that a decision could be made whether or not the Commission should get involved.

Mr. Heath asked Mr. Garibaldi to research the matter and inform Commissioner Fleishell.

Commissioner Kadish said that there were two items she wished to raise: one, the November 28 letter on the progress of the reorganization of the centralized civil service operations procedure for employee discipline; and the other, the December 6 letter about M & R projects. She said that she was bringing the subjects up in public meeting because there had been much prior public discussion of the items.

Regarding the employee discipline matter, Commissioner Kadish said that the procedures specified what to do after each employee offense. She felt the procedure for the third offense relied too much on recall and the fourth offense did not state a specific period of time.

Regarding the M & R projects memorandum, Commissioner Kadish said that she was fascinated by the information and felt the changes were a distinct improvement over the past. But regarding the case of modifications to Contract 1102, she wondered how items that were not visible could be included in the bid specifications.

Mr. Heath said that those items could have been included if the Airport had a map of underground utilities.

Commissioner Kadish said that she believed she had requested such an item two years ago.

Mr. Heath said that such a map was a tremendous undertaking but was planned to be completed at some future point in time.

* * *

. Adjournment.

There being no further business before the Commission, the meeting was adjourned at 4:33 PM.

Eric Craven
Commission Secretary

BRIEFING PAPER

MAYOR FEINSTEIN'S PLAN

FOR

A RESTRUCTURED AIRPORT

HOW DO WE RUN THE AIRPORT
LIKE A BUSINESS?

January 1980

Prepared by Richard R. Heath

January 1980

BRIEFING PAPER

MAYOR FEINSTEIN'S PLAN FOR A RESTRUCTURED AIRPORT

GOAL: TO RUN THE AIRPORT LIKE A BUSINESS

One of Mayor Feinstein's top priority goals for the Airport continues to be that "it should be run like a business and should provide a reasonable financial return to the City that owns it."

NEXT YEAR'S REVENUE SHORTFALL

This Goal is now increasingly important since the City faces a revenue shortfall in Fiscal Year 1980-81 which will exceed 100 million dollars. If expenditure reductions are the only means used to meet that shortfall, essential City services will be curtailed or eliminated. New sources of income must be found.

It is only logical that the Airport play its part in helping the City in this crisis. The Airport's success, and that of the airlines who use it, is dependent on San Francisco's continued attractiveness as an exciting urban center. It is the City, not the Airport and not the airlines, that attracts visitors.

INHIBITING FACTORS

Certain factors inhibit the accomplishment of the Mayor's goal:

* Federal law prohibits the city from levying a direct or indirect tax on air commerce. Thus, payments from the Airport to the City must not result in unwarranted charges levied on the airlines.

* The City Charter, the Master Bond Resolution covering Airport Revenue Bonds and the Landing Fees agreement all can be interpreted as prohibiting any direct payments to the City for services that are not airport related.

* The City's cumbersome and highly detailed administrative procedures make it difficult to run the Airport like a business.

* The present "Break-even" financial set-up of the Airport provides no positive incentives and some negative incentives towards improved efficiency and increased concession revenues.

* Existing Charter provisions make it difficult for the Airport to utilize revenue bonds for long-term financing of capital costs. A "pay-as-you-go" alternative is costly. Delays in completing necessary capital projects are even more costly.

WHERE CAN AIRPORT FUNDS COME FROM?

There are two possible sources of income which the Airport could utilize to help the City meet its financial crisis:

* Current revenues; and

* Funds derived from refinancing the Airport's debt coupled with payments made under a lease arrangement by a restructured Airport organization.

HOW MUCH CAN BE GENERATED FROM THESE SOURCES?

Any contribution derived from current revenues would be relatively small compared to the magnitude of the need. Over the past few years, the Airport has been contributing $2 million annually to the City as repayment of the original capital cost provided by the City. In addition, the Airport is paying the City for the indirect cost of governmental services under a formula established by the City Controller. Payments at or about the current level might be continued beyond the expiration date of the Airport's original obligation (1983).

There is no assurance, however, that these payments could be continued beyond 1983. The Master Bond Resolution might be interpreted as prohibiting any payment of Airport revenues to the City beyond those spelled out therein. Any bondholder could raise the issue in Court. Therefore, relying on current revenues without refinancing the outstanding revenue bonds could result in no payments at all.

Restructuring the Airport and refinancing the existing debt, on the other hand, can guarantee substantial income for the City at no added cost to the Airlines. This approach is particularly attractive at this time because of current high interest rates. Refinancing the currently outstanding revenue bonds could generate $120 million over 33 years under two of the options discussed in this paper. [1]

[1]NOTE: Throughout this Briefing Paper, including Exhibits, dollar projections are expressed in terms of the value of today's dollar, that is, constant 1980 dollars. Inflationary effects are not calculated since they are not easily predictable for future years.

Refinancing also serves to remove any restrictions contained in the Master Bond Resolution which might prohibit payments to the City.

Restructuring the Airport through an arrangement whereby the City leases the Airport to another entity could provide substantial additional financial advantages in the form of: (a) annual lease payments which, under this proposal, would total $204 million over 38 years, (b) a "front-end" lease payment of $77 million which, after satisfying the outstanding General Obligation bond debt service, would provide $30 million to the City in the first year of the lease, and (c) additional funds generated from "incentives" recognizing the benefit of high performance, increased productivity, and improved concession revenue.

Thus, the City could realize over $400 million over 38 years from the restructuring and refinancing of the Airport. The financial Analysis Section of this paper (p 7) explains in detail how these payments to the City can be generated while actually lowering the fees charged the tenant airlines.

THIS PROPOSAL: A RESPONSE TO PUBLIC OUTCRY ABOUT GOVERNMENT

Citizens are demanding that government make far better use of government resources. They want to see more efficient operations, better use of resources and effective generation of income from government facilities when income generation is appropriate. This proposal responds directly and effectively to that public demand.

WHY DOESN'T THE AIRPORT DO THE REFINANCING?

Under Federal rules governing tax free municipal revenue bonds, the issuer of the bonds can only refinance those bonds when the refinancing will result in reduced interest costs. The administrative costs of refinancing must be taken into consideration so that a rate on the new bonds 1% to 1-½% below the rate on the old bonds is required. In the case of the Airport, an interest rate below 6% would have to be obtainable on new bonds before refinancing could take place. That is unlikely to be the case in the foreseeable future.

A refinancing of the existing revenue bonds involves placing funds in escrow until the outstanding bonds become due or callable. If the refinancing is carried out by the entity which issued the existing bonds, the funds in escrow may earn only as much interest as the interest cost of the refinancing issue. Thus, there is no benefit to "self-refinancing" unless interest rates are so low as to reduce debt service cost.

HOW, THEN CAN REFINANCING TAKE PLACE?

No such limitation on interest earnings, however, is imposed on the transaction if the new issuing entity is different from the entity which issued the outstanding debt. Thus, if the City were to

lease the Airport to some other public entity, there would be no limitation on the interest earnings of the funds in escrow. Further, there would be no limitation, under IRS rules, on the interest cost of the issue. The $120 million noted above as accruing to the City from a refinancing is based on the premise that current long-term interest rates would permit earnings of 2% in excess of the interest cost of the new issue. That entity cannot be another agency of San Francisco. It must be a legal entity different from the City of San Francisco.

SOME SALIENT POINTS

It is important to emphasize at this juncture several very important points:

* Refinancing and Restructuring provide a means of generating significant levels of income for the City. Relying on current revenue does not.

* Refinancing MAY be necessary in order for ANY financial assistance to flow from the Airport to the City.

* Refinancing REQUIRES Restructuring now and in the foreseeable future.

* Refinancing and Restructuring together can provide great financial and managerial improvements which will benefit the public and demonstrate that a governmental agency CAN do more with less.

* The most advantageous time to undertake Refinancing and Restructuring is NOW, when interest rates are at a record high level.

THREE RESTRUCTURE ALTERNATIVES

There are three types of arrangements under which a new legal entity could be created which could lease (or buy) the Airport and refinance outstanding Airport indebtedness with new tax free bonds. Two are public entities; one private. All can legally issue revenue bonds to finance Airport capital improvements.

Facilities Management

Under this alternative the City would enter into a long-term (30 to 50 year) lease with a private, non-profit corporation which would run the Airport during the term of the lease.

The Facilities Management Corporation (FMC) would assume all outstanding Airport indebtedness by refinancing the existing bonds, and would pay an annual lease payment to the City.

This alternative has financial and managerial advantages, but also has certain disadvantages.

* As a public facility, the Airport should be operated in the public interest. That is more difficult to assure when control rests with a private body.

* The Board of Directors of the Corporation would be appointed by the Corporation, not by the Mayor. At best, the Mayor might be given veto authority over certain corporate selections.

* This option contains two financial disadvantages. (a) Leasing the Airport to a private entity would increase the possessory interest taxes payable to San Mateo County, thus ofsetting some financial advantages. (b) Funds placed in escrow as a result of a refinancing issue can earn interest up to the interest cost of the new issue, but could not take full advantage of the current high interest rates.

* City officials report previous unsatisfactory experiences with private, non-profit corporations.

Airport Special District

This option involves the creation of a Special District under a State legislative act. The geographic boundaries of the District would have to include all or part of San Mateo County since the Airport is located there. The residents of the District would elect the Board of Directors. The District would buy or lease the Airport from the City, assume all debts by refinancing the bonds and pay the purchase price out of revenues generated at the Airport.

The problems with this option are:

* It is more complex to install and would take longer to implement. A City Charter amendment, a special State Act and one District election would be required.

* San Francisco would sell or lease the Airport to the District, and thus San Francisco City government gives up all policy control of the Airport to the elected Board.

Joint Powers Authority

Under this arrangement, San Francisco would enter into a contract with another governmental jurisdiction (presumably San Mateo County) to create a Joint Powers Authority. The Joint Powers Authority (JPA) would lease the Airport from the City, assume all outstanding debt by refinancing the existing bonds and issue revenue bonds to fund needed Airport capital projects in the future.

The major disadvantage of this option from the vantage of the City is that a portion of the policy control of the Airport woudl pass to the San Mateo Board of Supervisors. A Joint Powers Board must contain representatives from both governmental entities who are partners to the agreement.

On the other hand, State law does not mandate any particular distribution on the Board. The proposed agreement would give the Mayor of San Francisco the right to appoint a majority of the Board.

The JPA alternative offers many advantages which outweigh the disadvantage and make it the best choice of the three.

* It is relatively easy to implement. A Charter amendment is needed to give the San Francisco Board of Supervisors and Mayor the right to lease the Airport to a JPA. The agreement must be negotiated with San Mateo's Board and passed by both Boards. San Mateo would continue to receive property taxes from the Airport at the present level, thus suffering no financial disadvantage.

* The JPA would not have the two financial disadvantages identified in the discussion of the Facilities Management option.

* Airport operations benefit the entire Bay Area, but the adverse effects of those operations (noise, traffic congestion, air pollution) fall most heavily on San Mateo residents. It would be very neighborly to provide them a voice in Airport policies.

* A cooperative effort of the two Counties, a Joint Land Use Study, is about to be completed. Both counties have worked hard and effectively to make it a success. Restructuring the Airport under a JPA would be a natural follow-on to the study. People tend to complain less about institutions over which they have some measure of control.

* Solving the Airport noise problem is a highly complex matter. Neither the Airport nor the communities around it can solve it unilaterally. Close cooperation is needed. A JPA would help assure that cooperation.

* Any rapid transit link between the City and the Airport must be approved by San Mateo. A JPA would be a natural vehicle to commence a study of the alternatives and make a recommendation to both San Francisco and San Mateo as to what is most desirable.

* The development and operation of innovative approaches to the improvement of ground transportation services for Airport passengers and employees such as the promotion of remote park and ride services.

* Criminal jurisdiction at the Airport rests with San Mateo County. Cooperation and coordination problems have arisen in the past. A JPA would help to continue recent improvements in this necessarily joint responsibility.

* San Francisco and San Mateo share many problems. Current reductions in government revenues make cooperative approaches more necessary than ever. A JPA for the Airport could lead the way.

* Since the majority of the Joint Powers Board would be appointed by the Mayor of San Francisco, San Francisco government would retain effective policy control of the Airport. At the expiration of the agreement, San Francisco could go back to the present structure or move to another structure.

* The employment rights of City employees now working at the Airport would be fully protected by the Charter Amendment and the Lease Agreement.

* Finally, this alternative provides the greatest possible financial and managerial advantages which can flow from refinancing and restructuring the Airport.

FINANCIAL ANALYSIS OF A JPA

Substantial revenues can be generated for the City through the creation of a Joint Powers Authority. The sources of that revenue are: (A) Bond refinancing which takes advantage of current high interest rates (projected at $120 million over 33 years; (B) Annual lease payments including a first-year "Front-End" payment of $77 million. (Total lease payments projected at $281 million over 38 years), and (C) Additional revenues from productivity performance improvements and increased concession revenues as part of an "Incentive" system.

These increased revenues payable to the City can be generated without increasing the fees and charges levied on the airlines, and the Agreement can assure that all this will happen.

FRONT-END LEASE PAYMENT AND REVENUE BOND REFINANCING:

The City has about $55 million of outstanding General Obligatiob bonds issued for the purpose of Airport improvements. The Airport has assumed the responsibility of providing debt service for these bonds. Under the current arrangement, these bonds would be retired in 1988. Until that time, however, the City is responsible for the debt service on these bonds if the Airport cannot meet the payments. An investment of $47 million at current long-term interest rates would provide sufficient funds to meet the debt service on these General Obligation bonds. Thus, if JPA issued revenue bonds sufficient to pay the City a $47 million front-end lease obligation, the City could escrow these funds in a manner to remove all further liability from the General Obligation bonds.

Because of the term of the outstanding issue, the manner in which the principal payments come due, and the interest rates, the JPA could actually issue sufficient funds to give the City an additional $30 million at no added cost to the airlines. Thus, the lease arrangement could provide for a total front-end payment of $77 million.

The Airport has $233 million dollars of revenue bonds outstanding, bearing interest rates of about 7% as an average. Under current conditions, the last of these bonds will remain outstanding for about 31 years.

The JPA would, upon assumption of the lease with the City, refinance the existing revenue bonds. The principal amount of the issue derived from the sale of the new bonds would be deposited in escrow to assure satisfaction of the debt service requirements of the existing bonds. (See Singer letter to Commission President Bernstein of October 29, 1979, Exhibit A). The escrow agent would also be able to earn interest on these funds in excess of the interest cost rate to JPA. Currently, thatspread is estimated at 2%. Current high interest rates can be "locked-in" through long-term notes maturing at varying times to satisfy the debt service and call provision requirements of the existing bonds. The spread of 2% between interest cost of the new issue and interest earnings on the escrow funds would generate about $3.6 million annually or $120 million over the life of the new bonds. If this spread is in excess of 2%, the City would receive more than $120 million; if the spread is less, the City would receive less.

The only uncertainties in this arrangement are: (A) whether the IRS will issue a ruling permitting the escrow agent to earn interest in excess of the 8%; and (B) what the actual interest rate will be at the time the refinancing bonds are sold. Under all circumstances the JPA can refinance the bonds with no increase in debt service charges and therefore with no increase in airline fees or charges. The predictions of our expert advisors are that the IRS would issue such a ruling.

ANNUAL LEASE PAYMENTS:

The JPA would make annual lease payments to the City amounting to 10% of the non-airline revenues. In 1980-81 this payment would amount to $3.6 million dollars. In ten years, non-airline revenues are expected to increase to a level such that 10% would generate $5.6 million per year. Assuming that the $5.6 million level of non-airline revenue remains constant through the balance of a 38-year lease term, the City would receive $204 million in annual lease payments.

Total lease payments over thirty-eight years are thus estimated at $281 million.

PRODUCTIVITY IMPROVEMENTS.

The added costs of the lease payments would be more than offset by productivity improvements permitted by a streamlined administrative system.

Productivity at the Airport can be measured by determining the per enplaned passenger cost of administering, operating and maintaining the Airport. Over the ten years of its existence as a separate agency, the Administrative, Operating and Maintenance (A.O.&M) costs at the Airport have increased on a constant dollar basis by 2.8% per year. (Inflationary increases have, of course, been far greater). (See Exhibit B).

With a streamlined administrative structure which would be possible under a JPA there is no question that that historic

deterioration in productivity can be halted and A. O. & M costs per passenger held constant.

Under this proposal the appropriate Agreements would mandate a constant level of A. O. & M. costs on a constant dollar, enplaned passenger basis. (The actual dollar cost would, of course, increase by the rate of inflation and by increases in total passengers enplaned). Increases in the permissible expenditure ceiling could only occur if the Airport were to provide services or pay claims not now required.

The mandatory cap on spending will reduce the operating costs the Airport can be reliably predicted to incur over the next ten years in the present structure by $84 million. (See Exhibit C). During this same ten-year period, annual lease payments will total $45.7 million. Thus these productivity savings more than offset the added costs of the lease payments.

Through better management, it can be anticipated that non-airline revenues can be increased over what they would be projected to produce under the existing organizational structure. A conservative esttimate of the increased revenue possible from the reorganization is $18 million over the first ten years of the lease. (See Exhibit D.).

In summary, even with the selling of additional revenue bonds to finance all presently approved capital projects, and even with the substantial financial payments to the City, the average landing fee during the first ten years of a JPA operation would be reduced from $1.25 to $1.14, an 8.8% reduction. (See Exhibit D.).

INCENTIVE PLAN:

An additional feature of this proposal is the encouragement of improved efficiency of operations through use of an incentive plan. The agreements relative to the operation of the Airport under lease to the City would mandate a fixed level of A. O. & M. costs. If, in any fiscal year, the Airport employees were able to reduce costs below the mandated ceiling or if they were able to generate concession revenues on a per enplaned passenger, constant dollar basis above present levels, the excess funds generated would constitute an Incentive Surplus for that fiscal year. The major portion of that surplus would be paid to the City of San Francisco. But some percentage (say 25%) would be used for incentive bonuses for Airport employees. The largest part of the employee bonus fund would be distributed to all regular, full-time employees who performed their job at at least a satisfactory level based on an employee performance evaluation system. The remainder would be awarded by the Joint Powers Board to individual employees whose performance was outstanding.

Such incentive bonus payments to Airport employees would generate strong incentives to each employee to find more efficient

ways to do his or her job and to seize all opportunities to generate increased concession income. The more effectively the whole Airport operated in this respect, the greater the bonus that each employee would receive, and, for every dollar paid as employee incentives, the City would receive three dollars.

While no projections have been made on the extent of the surpluses that might be generated through this system, it can be predicted that it would generate substantial added income for the City. It would give each Airport employee a direct, personal stake in the effective operation of the Airport.

OTHER ADVANTAGES OF A JPA.

Airport efforts to promote affirmative action by leasing concessions to minority or woman owned businesses have been thwarted by City Charter provisions prohibiting set-asides for minorities. Authority to utilize this approach would be specifically spelled out.

A restructured Airport can act as a testing ground for innovative management ideas. If the ideas have merit, they can be picked up by other agencies. If they don't work, no tax funds have been lost in the trying.

SUMMARY.

The Joint Powers Authority alternative constitutes a direct and effective response to our citizens who are demanding that government find ways to do more with less.

The Airport is in an excellent position to respond to that request, but can only do so if the barriers to effective management are removed.

The Joint Powers Authority alternative provides the quickest and least complicated way to remove those barriers while generating the maximum revenue possible for the City. The JPA also retains in City government strong, though no longer unilateral, policy control of the Airport.

EXHIBIT /

AIRPORTS COMMISSION

CITY AND COUNTY OF SAN FRANCISCO
DIANNE FEINSTEIN MAYOR

SAN FRANCISCO INTERNATIONAL AIRPORT
SAN FRANCISCO, CALIFORNIA 94128
(415) 761-0800

ORRIS BERNSTEIN
RESIDENT
ILLIAM K. COBLENTZ
CE-PRESIDENT
UTH S. KADISH
R. Z. L. GOOSBY
EDWARD FLEISHELL

RICHARD R. HEATH
DIRECTOR OF AIRPORTS

October 29, 1979

Honorable Morris Bernstein
President
San Francisco Airports Commission
145 Ninth Street
San Francisco, CA 94103

Re: SFIA Financing

Dear Mr. Bernstein:

You asked for a clearer explanation of the manner in which San Francisco can receive $120 million from the refinancing of the existing Revenue Bonds. I hope the following examples make this clear.

You (SFIA) have issued bonds in the amount of $233 for 30 years at 7% interest. Your annual debt service cost on these bonds is $18.78.

CASE I - Advance Refunding by City of San Francisco or SFIA

You want to refinance your bonds. The rule of refinancing your own loan is such that the interest rate of the new loan must be about 1 - 1½% less than your current loan rate. Thus you cannot refinance your own bonds unless you can float a new bond issue at about 6% or less.

CASE II - Refinancing By a Non-profit Corporation

As a non-profit corporation, I agree to take over financing of the Airport through a lease and lease-back. If I were able (this capability is of questionable legality), I agree to defease your present bondholders. Your bonds, however, may not be paid off before a certain date. Thus, I must provide you sufficient funds to pay off the bonds when due. The funds I give you go into a trust account for the specific purpose of defeasing your bondholders.

Under these circumstances, you can earn a rate of interest up to the rate of interest on my bonds. Thus, if I sell my bonds at 8%, you may earn up to 8%. But you only have to pay 7% to your bondholders. As a result, if I sell $211.42 in 8%, 30 year bonds, you can invest the $211.42 at 8% and have sufficient funds to retire your $233 worth of 7% bonds.

My annual payment for the $211.42 bonds at 8% over 30 years is $18.78, the same annual debt service as you must pay to your bondholders. As long as long-term notes pay at least what my bonds sell for, my interest cost is irrelevant.

Under this arrangement, there is no side benefit to you (City General Fund), you only get enough to pay off your loan. At the same time, there is no cost to the airlines since my annual cost of $18.78 is the same as your prior debt service cost of $18.78.

CASE III - Lease Arrangement to a JPA or Special District

A JPA or Special District is a governmental entity entirely separate from the City of San Francisco. As a result, a JPA or Special District lease or purchase of the Airport operations does not limit your ability to earn interest on the refinancing of your loan.

Your investment of the proceeds of my loan is not subject to arbitrage limits. As in the case above, I (JPA or District) issue bonds in the amount of $211.42 for 30 years at 8%. My annual debt service cost is $18.78 -- the same as your debt service cost prior to the lease or purchase transaction. Assuming you invest the $211.42 at 10% you can draw $22.43 annually for 30 years. But you only need to pay $18.78 on annual debt service cost ($233 for 30 years at 7%) to your bondholders.

The difference of $3.65/year is an annual income to you (the General Fund of the City). If your investment were at a higher interest rate, your annual income would of course exceed $3.65.

My annual debt service cost is $18.78, the same as yours. So the cost to the airlines remains constant even though San Francisco gains $3.65/year in this example.

The values shown in this example approximate the data used to calculate the $120 million benefit to San Francisco shown in my financial analysis.

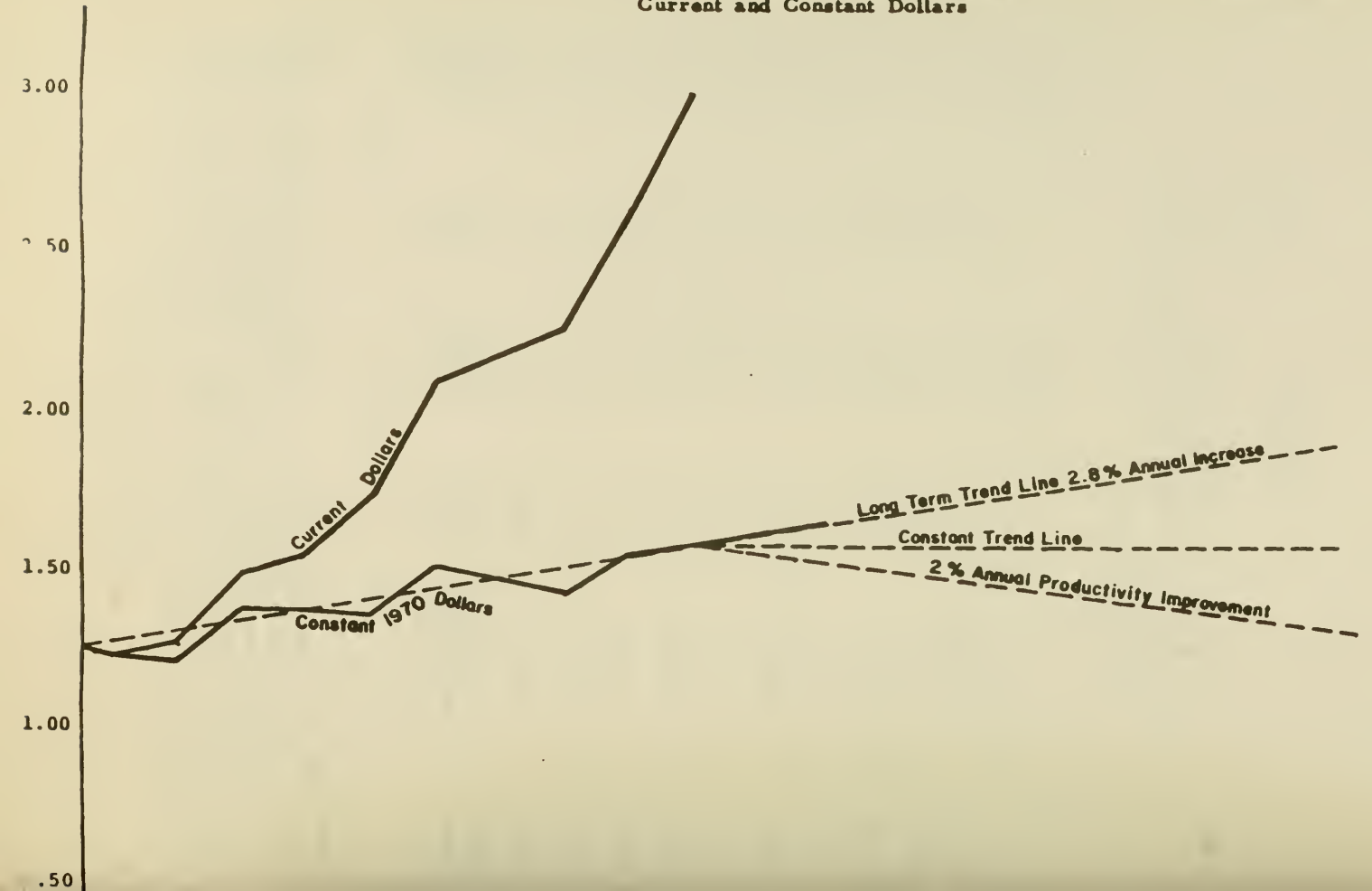
Respectfully yours,

J. Peter Singer
Deputy Director of Airports
Business and Finance

cc:Airports Commission
R.R. Heath

A.O.M. Costs Per Enplaned Passengers -
Current and Constant Dollars

EXHIBIT B



SFO

RESTRUCTURE PROPOSAL

A Comparison of A.O. &M. Budgets under a Continuation of the Present Airport Structure (Case 1) with these budgets under this Restructure Proposal (Case 2). Under Case 1, the A.O. &M. costs continue to increase at their historical rate of 2.8% per enplaned passenger per year. Under Case 2, A.O. &M. costs are held to the present level. All dollar figures are expressed in constant 1979 dollars. Inflation would increase the dollar difference.

		CASE 1		Case 2	
Fiscal Year	Enplaned Passengers (000s)	Cost Per Pax	A.O. &M. Budget (000s)	Cost Per Pax	A.O. &M. Budget (000s)
80-81	12,950	3.06	$ 39,627	2.98	$ 38,591
81-82	13,700	3.15	43,155	2.98	40,826
82-83	14,248	3.24	46,164	2.98	42,459
83-84	14,818	3.33	49,394	2.98	44,158
84-85	15,410	3.42	52,702	2.98	45,922
85-86	16,026	3.52	56,412	2.98	47,757
86-87	16,667	3.62	60,335	2.98	49,668
87-88	17,334	3.72	64,482	2.98	51,655
88-89	18,027	3.82	68,863	2.98	53,720
89-90	18,748	3.93	73,680	2.98	55,869
			$554,764		$470,625

Ten Year Savings

Case 1.	Present Airport Structure	554,764
Case 2.	Joint Powers Authority	470,625
	Difference	84,139

CASE I: Retain Existing Organizational/Financial Structure
CASE II: Restructure Airport as A Joint Powers Authority
(000s)

CASE I

Fiscal Year	Capital Costs	Annual Payments to City	A.O.&M. Costs	Total Revenue Required	Non-Airline Revenue	Airline Rental Payments	Landing Fee Revenues Required	Landed Weights	Average Landing Fee Rates
1980-81	80,105	2,000	39,627	121,732	36,001	8,138	77,593	26,100	2.97
1981-82	71,879	2,000	43,155	117,034	38,086	9,909	69,039	27,405	2.52
1982-83	68,218	388	46,164	114,770	39,609	9,981	65,180	28,775	2.27
1983-84	27,058		49,344	76,402	41,194	9,761	25,447	30,214	.84
1984-85	25,651		52,702	78,353	42,840	9,761	25,752	31,724	.81
1985-86	23,411		56,412	79,823	44,552	9,761	25,510	33,311	.77
1986-87	23,363		60,335	83,698	46,334	10,261	27,103	34,976	.77
1987-88	23,307		64,482	87,789	48,189	10,261	29,339	36,725	.80
1988-89	23,264		68,863	92,127	50,115	10,261	31,751	38,562	.82
1989-90	23,203		73,680	96,883	52,258	10,261	34,364	40,490	.85
10-Year Totals	389,459	4,388	554,764	948,611	439,178	98,355 1)	411,078 1)	328,282	1.25 (Average)

1) Total Airline Fees and Charges: $509,433

CASE II

1980-81	15,214	3,640	38,591	57,445	36,400	8,138	12,907	26,100	.49
1981-82	39,764	3,820	40,826	84,410	38,200	9,909	36,301	27,405	1.32
1982-83	45,002	4,010	42,459	91,471	40,100	9,981	41,390	28,775	1.44
1983-84	44,970	4,210	44,158	93,338	42,100	9,761	41,477	30,214	1.37
1984-85	44,934	4,420	45,922	95,276	44,200	9,761	41,315	31,724	1.30
1985-86	44,899	4,640	47,757	97,296	46,400	9,761	41,135	33,311	1.23
1986-87	44,854	4,870	49,668	99,392	48,700	10,261	40,431	34,976	1.16
1987-88	44,803	5,110	51,655	101,568	51,100	10,261	40,207	36,725	1.09
1988-89	44,764	5,370	53,720	103,854	53,700	10,261	39,893	38,562	1.03
1989-90	44,706	5,640	55,869	106,215	56,400	10,261	39,554	40,490	.98
10-Year Totals	413,910	45,730 3)	470,625	930,265	457,300	98,355 2)	374,610	328,282	1.14 (Average)

2) Total Airline Fees and Charges: $472,965.

3) Includes Annual Rental Payments Only. The $30 Million "Front-End" Payment Plus the $3.6 Million Per Year From Refinancing Airport Revenue Bonds Is Not Included Since These Payments Are Financed by JPA Revenue Bonds. The Costs of JPA Bonds is Included in "Capital Costs". All Payments to The City Total $158.7 million Over the Ten Year Period. If $47 Million is Used to Pay Off G. O. Bonds, The Net to The City Will Equal $111.7 Million.

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SAN FRANCISCO AIRPORTS COMMISSION

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MINUTES

Tuesday, January 24, 1980

DIANNE FEINSTEIN, MAYOR

COMMISSIONERS

MORRIS BERNSTEIN
President
WILLIAM K. COBLENTZ
Vice-President
RUTH S. KADISH
DR. Z.L. GOOSBY
J. EDWARD FLEISHELL

RICHARD R. HEATH
Director of Airports

San Francisco International Airport
San Francisco, California 94128

SPECIAL MEETING
OF THE
AIRPORTS COMMISSION

January 24, 1980

Call to Order:

The special meeting of the Airports Commission was called to order at 3:00 p.m., in the Board Room of the San Francisco Employees' Retirement System office, 770 Golden Gate Ave., San Francisco, CA.

* * *

Roll Call:

Present: Commissioners Morris Bernstein, William K. Coblents, Ruth S. Kadish, Z. L. Goosby, J. Edward Fleishell*.

Absent: None.

* * *

Agenda Items:

(1) Alternative Modernization & Replacement Program

Mr. Richard Heath, Director of Airports, spoke on the reasons for the revision of the planned M & R Program, explaining that as a result of the uncertainty of funding for the remaining terminal projects, he had instructed the Bureau of Terminal Construction staff to analyze the planned program and determine if there was a better way to complete the projects.

Mr. Heath said formal Commission action was not required at this meeting but if it was the intent of the Commission that staff proceed in the suggested manner, certain actions should be taken: 1) instruct the two architects, Gensler & Associates and Anshen & Allen, to cease work on the projects presently assigned to them; 2) commence master planning procedures with the architectural consultant, Howard Friedman; and 3) commence the discussion and review process with the Airlines and report back to the Commission in approximately sixty days for formal approval.

Commissioner Fleishell said, on behalf of the Commission, that the proposal seemed to be a good plan but that no formal action should be taken until the entire plan could be reviewed. However, he said it appeared necessary to move forward, have the staff meet with the airlines pursuant to the landing fees agreement and supply the Commissioners with full details on the effects on the airlines. Commissioner Fleishell said that what was needed, rather than a formal motion, was the agreement of the Commission to move ahead.

Commissioner Coblentz said the Commission action would be to trigger Section 4E of the loading fees agreement and instruct staff to notify the architects to terminate their current work, and to investigate the objections of the airlines.

* Commissioner Fleishell joined the meeting at 3:15 p.m.

Mr. Richard Jamison of American Airlines expressed strong objections to the proposed plan, particularly in that the airlines were not given sufficient notice of the staff's intent to revise the M & R Program. Mr. Jamison said the proposed plan may well have many more merits than the original, but the original M & R Program was hard to come by over a period of better than five years, the time it took for all to agree, and that a great deal of money had been spent, as well as planning time. Mr. Jamison said that the current litigation, to which American was not a party was not a cause of the economic stress of the Airport, but rather that Proposition P was the cause.

Commissioner Kadish said the Commission was merely authorizing the implementation of the idea in two respects, to fit it into the overall plan and to allow for a complete review, with all people involved.

Commissioner Coblentz said the Commissioners had not forgotten the objections Mr. Jamison had raised which would not be arbitrarily overridden. The Commissioner said staff had been told they must pursue all objections with American, or any other airline.

Mr. John Reagan of TWA said he had planned to urge the Commission not to vote at this time on the matter and that, while the proposed plan would have no direct impact on TWA, he shared Mr. Jamison's apprehensions. Mr. Reagan said, also, that the working relationship between the airlines and the Airport staff must be improved.

Mr. Clifford Argue of Continental Airlines said he had also planned to urge that no formal action be taken, and that he was looking forward to working with the Airport staff over the next sixty days as Continental also had some particular concerns, expecially regarding interim moves.

Mr. Jan Blais of United Airlines said his remarks would be withheld at this time. Mr. Blais said the Technical Committee was ready at any time to meet on the proposed plan.

Mr. David Lilly, representing San Francisco Tomorrow, said it appeared that phase three of the M & R Program was being scrapped in favor of a different plan. Mr. Lilly asked that the record reflect that San Francisco Tomorrow urged that the EIR process be considered and they hoped that a negative declaration be issued, as required by law.

Commissioner Coblentz said the Commission had been advised by legal counsel that environmental reports would not be required.

Mr. Heath said that the place where airplanes were parked at the Airport would not be a matter of impact on the environment. He explained the proposed square footage and number of loading gates were less than approved by the EIR in 1972 and that there was nothing that would cause increased impact.

Mr. Lilly said the FAA required an EIS for any project using federal funds and that even if the square footage was less, the plan seemed to be predicated on an increased passenger load.

Mrs. Anita Maraviglia, representing Airport Impact Reduction Force, said that Mr. Heath had said that one of the plusses was that the proposed plan increased the gates.

Mr. Heath said he had said that there was increased flexibility among the gates. He also said that no federal funds would be used, since it was almost a certainty that the Cannon Bill would be passed, which eliminated such funding, so the EIS question was moot.

* * *

(2) Joint Powers Authority Proposal

The following resolution was unanimously adopted:

No. 80-0022 — Resolution approving in principle the Charter Amendment allowing Airport Director and certain staff to proceed with the implementation of the Mayor's Plan for a Joint Powers Authority.

Mr. Heath explained that the Airports General Counsel had drafted a Charter amendment to implement the JPA proposed by the Mayor, and this was a request asking, not for formal approval, but to approve in principle, the necessary bare provision required to change the Charter.

Commissioner Goosby said the approval was granted, in principle, with the understanding that the Commission was instructing the Director and necessary staff to give top priority to the earliest possible development of the Mayor's Plan. Commissioner Goosby said he wanted to emphasize that the plan was not set in concrete; it would be a good concept if proved workable and if vital details had not been overlooked, and that all details must be made available to all interested parties and the public.

Commissioner Bernstein agreed that the approval was given in principle only.

* * *

1. Adjournment:

There being no further business before the Commission, the meeting was adjourned at 3:28 p.m.

Eric Craven
Secretary to the Commission

SAN FRANCISCO AIRPORTS COMMISSION

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Tuesday, February 5, 1980

DIANNE FEINSTEIN, MAYOR

COMMISSIONERS

MORRIS BERNSTEIN
President
WILLIAM K. COBLENTZ
Vice-President
RUTH S. KADISH
DR. Z.L. GOOSBY
J. EDWARD FLEISHELL

RICHARD R. HEATH
Director of Airports

San Francisco International Airport
San Francisco, California 94128

MINUTES
OF THE
AIRPORTS COMMISSION
MEETING
AND
PUBLIC HEARING

February 5, 1980

Call to Order:

The regular meeting and public hearing of the Airports Commission was called to order at 2:02 p.m., in Room 282, City Hall, San Francisco, California.

* * *

Roll Call:

Present: Commissioners Morris Bernstein, William K. Coblentz*, Ruth S. Kadish**, Z.L. Goosby***, J. Edward Fleishell****.

Absent: None

* * *

Pledge of Allegiance: Led by Commissioner Coblentz.

* * *

Approval of Minutes:

The following resolution was unanimously adopted:

No. 80-0023 Resolution adopting Minutes of the Airports Commission meeting of January 15, 1980 and of the Special Meeting of January 24, 1980.

* * *

* Commissioner Coblentz left the meeting at 3:40. returned at 3:45.
** Commissioner Kadish left the meeting at 4:30, returned at 4:35.
*** Commissioner Goosby left the meeting at 4:40, returned at 4:45.
*** Commissioner Fleishell left the meeting at 3:30, returned at 3:35.

3. Adjournment to go into Executive Session.

The public meeting was recessed at 2:04 p.m., to go into Executive session.

* * *

4. Executive Session.

The Commission met in Executive Session until 2:55 p.m. when the public meeting was reconvened.

* * *

Director's Reports

(3) Selection of Architect for the Central Terminal Complex Unter the Alternative M & R Program.

Richard Heath, Director of Airports, explained to the Commission that Mr. Jason Yuen, Project Director, and Mr. Howard Friedman, Architectural Consultant, had been asked to review the proposed plans for the Alternative M & R Program, and to recommend an architect.

Mr. Yuen spoke at some length about the relative qualifications of Gensler & Associates and Anshen & Allen, and explained the reasons for the choice of the Gensler firm for the Central Terminal Project. Mr. Yuen said, if the Commissioners concurred, he would like to negotiate a contract and begin working on the plans with Gensler & Associates. He said that formal approval would be asked for at the next meeting. Mr. Friedman concurred with Mr. Yuen's remarks.

Commissioner Kadish asked if Gensler was presently being paid.

Mr. Yuen said that the firm had been notified two weeks ago they were not being paid.

Commissioner Kadish referred to the Special Meeting on January 24, at which time the airlines had been assured they would be included in all future discussions of plans, and emphasized the importance of the inclusion of all constituents, FIS, FAA, etc., in the discussion of plans. She said that while the City Attorney had given an opinion to the effect that neither an EIR nor an EIS was needed for this alternative project, various communications had been received regarding CEQA and other environmental aspects of the program. Commissioner Kadish suggested that before any architect's agreement was signed there should be a letter or telegram of assurance to the Commission from the various authorities involved that these prolonged environmental procedures were unnecessary.

Mr. Heath explained that CEQA was a State act which the Airport had followed in 1972-73 when a complete environmental report was made. The EIR did not approve a specific design plan for the terminal facilities and that the new plan would be 700,000 square feet less than previously contemplated, with five less loading gates. Mr. Heath said there would be no difference in the environmental impacts, as it was a merely a question of a different parking place for the aircraft.

Commissioner Goosby objected to Commissioner Kadish's suggestion of asking for reassurances from various agencies, and cited the cost of prolonged delays.

Mr. Heath said that the Act made certain requirements and the Airport was bound by the City Attorney's interpretation of those requirements.

* * *

5. Special Item

Public hearing on the 1980-81 Budget

The following resolutions were unanimously adopted:

No. 80-0024	Resolution approving the detail budget for 1980-81 in an amount not to exceed $109,010,850.
No. 80-0025	Resolution approving the 1980-82 summary budget in an amount not to exceed $109,010,855 for 1980-81 and $145,665,015 for 1981-82.
No. 80-0026	Resolution approving the revised Capital Project Plan which provides for total expenditures of $264,331,000 to be contracted through June 30, 1983, subject to revision by the Commission prior to Mrach 7, 1980 following discussions with airline signatories to the landing fee agreement pursuant to Section 4(e) of said agreement.

Mr. Heath explained that the budgetary process had not been logical, in that it had been necessary to develop the budget long before the start of the fiscal year. Mr. Heath said that he had been able, however, to effect an arrangement whereby a "not to exceed" budget figure could be approved by the Commission to go forward to the Controller, Mayor and Board of Supervisors budget offices, for their review, prior to final item approval by the Airports Commission. Mr. Heath asked for approval of the entire sum presented, with the understanding that the budget would be brought back on May 20 for final approval, after receiving input from all interested parties.

Ms. Sue Hester commented on the budget, objecting to the fact that it apparently contained no funds for environmental purposes. Ms. Hester objected to the "Goals and Objectives" figure of increased passengers and cited the policy adopted

in July 1976 by the Board of Supervisors which she said set a maximum of 24 million passengers annually. Ms. Hester commented on the lowered CNEL figure for 1981 and asked what provisions had been made to meet that figure. She also objected to that fact that no environmental impact report was planned for the Alternative M & R Program.

Mr. Heath explained to the meeting that two environmental statements had previously been issued, and all the planned projects were included. He said the number of passengers using SFO was beyond the control of the Airport but emphasized that the total number of flights was decreasing, due to the larger aircraft. Mr. Heath referred to the Joint Land Use Plan, stating it was the most comprehensive environmental study ever made at an Airport, although it was not formally called an environmental impact report.

Commissioner Fleishell asked that a balance sheet be put together, similar to those used in private business.

Mr. Jan Blais of United Airlines expressed the hope that the budget could be received by the airlines earlier in the future, and said that this year the landing fees would have to be set before the budget was approved. Mr. Blais asked if the Commission would be willing to reduce the landing fees by whatever amount the budget is reduced by the Mayor and the Board of Supervisors.

Mr. Heath said the landing fees had always been set earlier than the final budget approval, but the budget approval, but the budget did not constitute the total expenditures for the year as inevitably supplement appropriations were needed. If a surplus was created on year, it meant lower landing fees the next year.

Mr. Blais asked that the Commission be sensitive to the needs of the airlines and adjust the fees to what was commensurate to the budget.

Commisssioner Kadish asked that it be clear that the budget was being approved with the proviso that it had not been approved in specific detail, and was sent forth to merely expedite the process.

Mr. Don Garibaldi, Airports General Counsel, said there should be no problem if it was clear in the record that the Commissioners reserved the right to review the budget later.

. Director's Report - (continued)

7A) Mr. Heath said he understood the Mayor Feinstein had asked Commissioner Fleishell to chair a Citizens Committee to develop support for the Joint Powers Authority Proposal.

Commissioner Fleishell said the Mayor had expressed the hope that the other members of the commission would join in the Committee which will be moving ahead as rapidly as possible, as a great deal of work would have to be done.

7B) Proposed Public Hearings on Passenger Services

Mr. Heath said that Commissioner Bernstein had suggested that there be special meetings on a regular basis, perhaps once every three or four months, to which representatives from the airlines and the major tenants and organizations at the Airport would be invited, along with members of the

public, to deal as a group with comments, complaints and suggestion. In this manner, common problems could be dealt with, rather than the Airport having the sole responsibility.

* * *

lc) Liability for Noise Impacts and the Noise Bill

Commissioner Fleishell asked what action had been taken to deal with the case pending before the Supreme Court regarding liability for noise on the part of an airport, he said it could have a major effect on the Airport and the City.

Mr. David Kroopnick, Assistant Airports General Counsel, responded that Los Angeles International was considering their action and would be the lead plaintiff, with San Diego the major amicus. San Francisco would join the suit with an amicus brief in both the California and U.S. Supreme Courts.

Mr. Heath said the effect on San Francisco under the present situation or a JPA was being studied; however, it's his present feeling that only the Airport would be affected.

Commissioner Fleishell asked about the noise bill recently passed by Congress, and Mr. Heath said it appeared to be a substantial improvement over the Cannon Ball, but relaxed some standards on two-engine aircraft.

* * *

(1) Airport Medical Clinic

Mr. Heath said his suggestion would be, after a preliminary discussion with Dr. Smookler, that the Commission meet with the Doctor and his attorney in executive session, to resolve the differences. Mr. Heath said that the Doctor has said he would stand on his right to operate a one-shift medical clinic until 1983, if the Commission raises his rent.

Mr. Casper, attorney for the Medical Clinic, denied that Dr. Smookler had said the Clinic would return to a one-shift medical group, and talked at some length on other services the Clinic provided.

(2) Progress Report on the Implementation of the Firm Project. There was no discussion on this item.

* * *

. Items Initiated by Commissioners

There were no items initiated under this section.

* * *

Agenda Items Involving Airport Policies or Major Operational Decisions

The following resolution was unanimously adopted by the vote of Commissioners Bernstein, Coblentz, Goosby, Fleishell; Commissioner Kadish was absent during the voting:

(4) Revised Operating Agreement and Invitation for Bid for Public Automobile Parking Facilities at San Francisco International Airport

No. 80-0027 — Resolution approving the revised operating agreement and invitation for bid for the Public Automobile Parking Facilities.

Mr. Heath said this was the revised operating agreement. The qualified bidders had been selected in January, and if approved, the bid date will be March 5.

* * *

The following resolution was unanimously adopted:

(5) Qualification of Parking Company of America

No. 80-0028 — Resolution disapproving the qualifications of the Parking Company of America as bidder on the Public Parking Facilities contract.

Mr. Heath explained that the person selected as resident manager was not felt to be qualified, as his experience was unacceptable.

* * *

The following resolution was unanimously adopted:

(6) Airport Contract No. 936 - Industrial Waste Treatment Plant, Approval of Budget for Type 1 Contract Modifications and Delegation of Authorization to Director.

No. 80-0029 — Resolution approving budget and authorizing the Director to approve and issue Type 1 modifications in accordance with Airports Commission Resolution No. 79-0419.

* * *

The following resolutions were unanimously adopted:

(7) Approval of Modifications to Professional Services Agreement with Morrison & Foerster

No. 80-0030	Resolution approving a modification to the Professional Services Agreement with Morrison & Foerster by increasing the contract amount to $250,000 and requesting a supplemental appropriation in the amount of $150,000.00

(8) Policy on Provision of Prevailing Wages by Airport Concessionaires.

No. 80-0031	Resolution establishing policy that henceforth all Airport concessionaires provide prevailing rates of salaries, wages and employee benefits.

Mr. Jan Blais of United Airlines expressed his objections to the supplemental appropriation for Morrison & Foerster.

Commissioner Fleishell questioned if the prevailing wage item would adversely affect minority representation at the Airport.

Mr. Heath said that everyone would be paid the prevailing wage.

* * *

The following resolution was unanimously adopted:

(9) Authorization of Insurance Concession Bid - North, South and Central

No. 80-0032	Resolution authorizing the Director to seek bids to operate an insurance concession from one counter in each terminal.

Commissioner Coblentz questioned this item saying he had thought this would be a duplication of service, and asked if it was necessary to add three more foreign currency exchanges.

Mr. Emmett Smith,Acting Deputy Director for Business and Finance, said the foreign currency exchanges were added to make the bid package more viable.

Commissioner Coblentz said he thought it was unnecessary and that everyone must meet the same requirements, the same situation as with the Bank of America and Deak & Co.

* * *

The following resolution was unanimously adopted:

(10) Professional Services Agreement with Community Arts, Inc.

No. 80-0033 — Resolution authorizing the Director to enter into a professional services agreement with Community Arts, Inc. to do preliminary planning and development of the SFIA Arts Program to begin in 1980-81 in an amount not to exceed $7,000.00

Commissioner Goosby said he assumed the person who is being granted $7,000 to develop the plans and specs will not be a bidder, direct or indirect, when the item goes to bid.

Mr. Heath said this was not planned as a bid program, as it will cost the Airport some money to run. Mr. Heath said the selection of this firm was due to their reputation of having the ability to generate large grants from foundations, etc.

Commissioner Kadish said that some months ago, a proposal had been approved by the Visual Arts Committee of the Arts Commission and subsequently presented to the Airports Commission and approved. This proposal instructed the Director to develop a proposal for an Arts Program, and it was implicit at the time that Elsa Cameron would carry out that program.

Commissioner Goosby said the Commission was not committed to Ms. Cameron conducting the program and he was only voting in favor of her developing the plans and specs.

* * *

The following resolution was unanimously adopted:

(11) Tenant Improvement: American Airlines Pier E, Gate 44 Expansion, $1,200,000.00

No. 80-0034 — Resolution approving in concept only the schematics and renderings submitted by American Airlines showing their proposed enlargement of Gate 44 to provide American with adequate interim operational facilities until they have been moved into new, permanent facilities scheduled to be constructed under the M & R Program.

The work will be done by American Airlines at their own and sole expense and without rental credit. The estimated cost is $1,200,000.00

* * *

The following resolution was unanimously adopted:

(12) Tenant Improvement: Duty Free Shoppers, Ltd., Remodel Gift and Sundries Shop in South Terminal, $75,000.00

No. 80-0035 — Resolution approving the final plans and specifications submitted by Duty Free Shoppers, Ltd. showing the remodeling of the South Terminal Gift and Sundries Shop. The work will be done by Duty Free Shoppers at their own and sole expense and without rental credit. The estimated cost is $75,000.00.

Commissioner Coblentz said that as he understood it, the plans had been approved by the consulting architect and the appropriate persons as regards to design.

Mr. Heath said that was correct: Jason Yuen, Howard Friedman and the design committee.

* * *

The following resolution was unanimously adopted:

(13) Tenant Improvement: Dobbs House, Inc., Renovation of Central Terminal Newsstand and Bookstores, Central Terminal Gift and Sundries Shop and Storage Areas, $70,000.00.

No. 80-0036 — Resolution approving preliminary schematics and renderings submitted by Dobbs Houses, Inc. showing renovations and improvements to the Central Terminal Newsstand and Bookstore, Central Terminal Gift and Sundries Shop, and Storage space at the lower level of the South Concourse.

Commissioner Fleishell asked if Mr. Friedman had reviewed the plans.

Mr. Heath said that they had been reviewed by the Design Review Committee consisting of Howard Friedman, Jason Yuen and Bob Lee. He said the Committee had approved the plans.

* * *

9. Consent Calendar of Routine Administrative Matters

The following resolutions were unanimously adopted:

(14) Declaration of Emergency - Roof Leaks

No. 80-0037 — Resolution approving the immediate repair to the roof of the Qantas Hanger to preclude further damage to facilities.

(15) Declaration of Emergency - Power Failure

No. 80-0038 — Resolution approving the immediate repair of the power cables serving the North Field Area in order to maintain an operating airport.

(16) Resolution Authorizing Travel for Louis A. Turpen

No. 80-0039 — Resolution authorizing Louis A. Turpen to attend the AOCI Technical Committee meeting in Rome, Italy from May 19 to 22, 1980.

(17) Approval of Modification and Final Payment - Dr. D.J. Faustman, Professional Services Agreement.

No. 80-0039 — Resolution approving modification and final payment of Professional Services Agreement between Dr. D. Jackson Faustman and the City and County of San Francisco.

(18) Modification No. 10 to Shuttle Bus Service Agreement

No. 80- 0041 — Price adjustment for labor wage rates and fringe benefits.

(19) American Airlines Lease of Plot 7E

No. 80-0042 — Lease consisting of approximately four tenths (0.40) of an acre at an initial rental of $2,440.00. Term set so that final termination date, August 20, 1992, coincides with that of adjacent existing American Airlines facility.

Commissioner Coblentz questioned the item on the Shuttle Bus Service, stating that pension costs were raised substantially and asked if there was any way to raise the fares, or must the Airport absorb the additional cost.

Mr. Heath said it was nesessary at the present time to absorb the costs, but staff was studying a way to tie this service in with employee parking, on which the rates were being raised.

Commissioner Coblentz said he didn't think any service should be subsidized, especially if provided for non-City employees. He requested a full report by the first meeting in March.

* * *

10. Consent Calendar of Contract Modifications

The following resolution was unanimously adopted:

(20) Airport Contract No. 1257 - Silt Removal, 1979, Modification No. 1 (Debit), $1,200,000.00.

No. 80-0043 — Resolution approving and ratifying the action of the Director of Airports in approving Change Order No. 1275-2. in accordance with Airports Commission Resolution No. 70-0044 and requesting Controller's certification of Debit Modification No. 1 in the amount of $1,200.00. The contractor for this work is CAL Equipment.

Mr. Heath said this item was the result of the Fish and Game Department's refusal to allow the Airport to clean out a ditch. In order to get the work done, it was necessary to modify the contract.

* * *

12. Trailing Calendar

(3) General Aviation Landing Fees

Commissioner Kadish asked when there would be an item on General Aviation Landing Fees.

Mr. Heath answered that all landing fees will be handled at the same time.

* * *

(4) Jurisdiction Over Helicopters

Commissioner Fleishell asked Mr. Garibaldi when he would receive the requested information on the Commission's possible jurisdiction over helicopters.

Mr. Garibaldi said he would present it by the next meeting.

* * *

13. Adjournment

There being no further business before the Commission, the meeting was adjourned at 4:51 PM.

Eric Craven
Commission Secretary

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MINUTES

Tuesday, February 19, 1980

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President
WILLIAM K. COBLENTZ
Vice-President
RUTH S. KADISH
DR. Z.L. GOOSBY
J. EDWARD FLEISHELL

RICHARD R. HEATH
Director of Airports

San Francisco International Airport
San Francisco, California 94128

MINUTES
OF THE
AIRPORTS COMMISSION
MEETING
February 19, 1980

1. Call to Order:

The regular meeting of the Airports Commission was called to order at 2:02 p.m., in Room 282, City Hall, San Francisco, California.

* * *

2. Roll Call:

Present:	Commissioners Morris Bernstein, Ruth S. Kadish, J. Edward Fleishell.
Absent:	Commissioners William K. Coblentz, Z. L. Goosby.

* * *

3. Pledge of Allegiance: Led by Commissioner Kadish.

* * *

4. Approval of Minutes:

The following resolution was unanimously adopted:

No. 80-0044	Resolution adopting Minutes of the Airports Commission meeting of February 5, 1980.

* * *

5. Director's Reports

There were no Director's Reports presented.

* * *

6. Items Initiated by Commissioners

(1) Firehouse

Commissioner Kadish asked for a report on the design of the new Fire House.

Mr. Robert Lee, Deputy Director and Chief Engineer, responded that his staff had begun preparing schematics and were currently working with the Fire Department on space allocation. Mr. Lee said at this point the design of the building was not decided but that he hoped to come back to the Commission in two weeks with suggested designs and ask for approval of schematics. Mr. Lee reminded the Commission that he was working with a very tight budget.

Commissioner Kadish said that Mr. Lee appeared to be making the assumption that something expensive would be more attractive than something less expensive.

* * *

7. Agenda Items Involving Airport Policies or Major Operational Decisions

The following resolution was unanimously adopted:

(1) Approval of Amendment to Professional Services Agreement with Gensler & Associates, Architects for Central Terminal Complex, $60,000.

No. 80-0045 — Resolution approving an amendment to the Professional Services Agreement with Gensler & Associates, to modify the scope of work and the fees for the design and construction of an International Terminal Facility at the Central Terminal Complex. Resolution also requests Controller to certify $160,000 for the schematic design phase.

Mr. Richard Heath, Director of Airports, said he had received a letter from Ms. Vicky Rathbone which stated that the Human Rights Commission had approved the Gensler & Associates contract, and asked that the letter be included in the record as Exhibit D of the contract.

Mr. Frank Nakashima, of Japan Air Lines, spoke to the meeting, stating his recommendation that the Commission approve the resolution in order to get the project started, and that he also wanted to represent Pan Am's support for the project. Mr. Nakashima said he could not speak for the other international carriers, but that he had heard no objections to the Alternative M & R Program.

Mr. Jan Blais of United Airlines, said he had sent out a message to the entire airline group asking for any reaction, and had had no reply except from JAL and Pan Am. Mr. Blais said his company would be interested in making sure that the landing fee agreement would be followed, but would have no objection to proceeding with the program. Mr. Blais said he didn't understand the raise in costs but thought that question would be answered at the next meeting of the Techanical Committee and during the discussion with Mr. Heath and staff on February 27.

Mr. Howard Friedman, architectural consultant, spoke to the meeting, saying that after the last meeting Anshen & Allen voluntarily reviewed the Gensler concept, in relation to Federal and Airline requirements, respective approvals, construction, budget and construction and document timetable. Mr. Friedman said Anshen & Allens' findings indicate sufficient discrepancies, omissions, etc. that if revised to achieve agency and airline approval, this could result in major changes neutralizing the Gensler concept, significant budget and time increases, and a scheme similar to Anshen & Allen's. Mr. Friedman said he found some legitimacy to the Anshen & Allen findings, though he felt the Gensler concept was worth the calculated risk. Mr. Friedman said it was this small calculated risk he wished to discuss. Mr. Friedman said certain things had been added to the contract: a schematic phase, limited to 30 days from contract certification, for a sum not to exceed $150,000, during which time Gensler would get all necessary agency and airlines approvals; confirmation of the previously agreed upon budget and timetable, and maintenance of the general spirit and layout of the previously submitted concept. Mr. Friedman said if the basic concept becomes unduly tortured in order to get the necessary approval or Gensler was unable to maintain the previously agreed upon budget or timetable, the Commission could reevaluate the Gensler proposal and reconsider the Anshen & Allen scheme.

* * *

The following resolution was unanimously adopted:

(2) Award of Concession Agreement for Self-Service Luggage Cart System to Smarte Carte, Inc.

No. 80-0046 — Resolution accepting the one bid which was received in response to the Commission's invitation. The agreement fixes 10 percent as the percentage of gross revenues payable with the bid item being the minimum annual guarantee (minimum acceptable bid: $10,000). The bid was Smarte Carte, Inc., $12,144.

Mr. Heath said this item asked approval of the Smarte Carte bid, the sole bid received. Mr. Heath said the contract specified operation of the carts within 150 days of the approval date, but staff hoped that Smarte Carte would have them manufactured and in operation by June 1st.

Commissioner Kadish asked about the location of the carts, and how the number and destination would be determined.

Mr. Peter Singer, Deputy Director for Business and Finance, said the carts would be generally in the baggage area, boarding areas, garage and on the sidewalks in front of the terminal buildings, at about 60 stations throughout the Airport and the international area. Mr. Singer said Smarte Carte would be primarily responsible for placement, but staff would reserve the right to work with them.

Commissioner Kadish wanted to know if there would be sufficient number of carts to handle demand.

Mr. Singer said he was sure there would be enough.

Commissioner Fleishell spoke of the Mayor's request that carts be located in the international area and asked that that requirement be in writing. He also asked that there be a paragraph in the contract that the successful bidder shall supply carts in an amount to be determined by Airport staff for the international area.

Mr. Singer assured the Commission that these requirements were contained in the documents, and that the carts in the international area were without charge but could not be taken from the area.

* * *

8. Consent Calendar of Routine Administrative Matters

The following resolutions were unanimously adopted:

(3) Out of State Travel

No. 80-0047 — Resolution authorizing various trips out of state by Commissioners and staff to attend meetings and seminars.

(4) Award of Contract No. 1195-R, $21,768.00, Improvements to Drainage Sumps - North Terminal.

No. 80-0048 — Resolution awarding Contract No. 1195-R, Improvements to Drainage Sumps, North Terminal, to Bepco, Inc., 4901 Tidewater Avenue, Oakland, California 94501 in the total amount of $21,768.00.

(5) Modification No. 2 and Completion of Contract No. 1198, Aircraft Parking Apron, North Terminal-East Phase.

No. 80-0049

Resolution accepting the work under Airport Contract No. 1198, Aircraft Parking Apron, North Terminal-East Phase, as satisfactorily completed; extending the completion date from July 13, 1979 to September 26, 1979; approving and requesting the Controller's certification of Credit Modification No. 2 in the amount of $41,455.02; and approving final payment in the amount of $43,420.60 in favor of the contractor, Piombo Corporation, 1601 Industrial Way, Belmont, CA 94002.

(6) Tenant Improvement: Delta Airlines Apron Improvements for Boarding Area E, $415,000.00.

No. 80-0050

Resolution approving the final plans and specifications submitted by Delta Airlines showing airline improvements on the Boarding Area E apron to be done in connection with the construction of the Boarding Area E ramp pavement. The work consists of construction of an underground aviation fuel hydrant system and foundations for the jet loaders.

(7) Approval of Tenant Contract Drawings (TMR-2304), PSA/ Northwest Airlines Interim Relocation of Loading Bridges Within Pier "D".

No. 80-0051

Resolution approving the contract drawings of PSA/Northwest Airlines interim relocation of loading bridges within Pier "D" and approval to commence the project. This interim relocation is an integral part of the M & R Program.

The maximum not to exceed cost for this project is $56,000.

(8) Tenant Improvement: Trans World Airlines, Improvement of Sublease Space for Alaska Airlines, $50,000.

No. 80-0052

Resolution approving the final plans and specifications submitted by Trans World Airlines whereby they will modify facilities to provide counter and office space for Alaska Airlines at their ticket counter in the South Terminal, and will modify Gate 51 to accommodate Alaska Airlines' Operational requirements.

(9) Tenant Improvement: ABC Cigar Company, Storage Space for North Terminal Newsstand/Bookstore and Gift/Sundries Shop, $40,000.

No. 80-0053 — Resolution approving the final plans and specifications submitted by ABC Cigar Company showing improvements in the concession storage area at the ground level of the North Terminal. The work consists of constructing partitions to provide storage for the North Terminal Gift/Sundries Shop and the Newsstand/Bookstore concessions which ABC has, and also constructing a corridor in the future by other concessionaires having facilities in the North Terminal.

* * *

9. Items Removed from Consent Calendar

There were no items removed from the Consent Calendar.

* * *

10. Trailing Calendar

There was no discussion of items on the Trailing Calendar.

* * *

11. Adjournment

There being no further business before the Commission, the public meeting was adjourned at 2:22 to go into Executive Session.

Eric Craven
Commission Secretary

SAN FRANCISCO AIRPORTS COMMISSION

MINUTES

Tuesday, March 4, 1980

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J. EDWARD FLEISHELL

RICHARD R. HEATH
Director of Airports

San Francisco International Airport
San Francisco, California 94128

MINUTES
OF THE
AIRPORTS COMMISSION
MEETING

Tuesday, March 4, 1980

Call to Order:

The regular meeting of the Airports Commission was called to order at 2:01 p.m., in Room 282, City Hall, San Francisco, California.

* * *

Roll Call:

Present:	Commissioners Morris Bernstein, Ruth S. Kadish, Z. L. Goosby, J. Edward Fleishell.*
Absent:	Commissioner William K. Coblentz.

* * *

Pledge of Allegiance: Led by Commissioner Kadish.

* * *

Approval of Minutes:

The following resolution was unanimously adopted:

No. 80-0054	Resolution adopting Minutes of the Airports Commission meeting of February 19, 1980.

* * *

Commissioner Fleishell arrived at 2:12 PM during discussion of Item (1).

Director's Reports

(A1) Action of the Board of Supervisors.

Mr. Richard R. Heath, Director of Airports, reported on action taken by the Board of Supervisors, regarding a proposed Charter amendment which would allow a percentage of non-airline revenues to be contributed to the City. He said there was an amendment to increase the percent of non-airline revenues from 10% to 25% that the City would be permitted to take which was adopted 11 to 0. Then the amended proposal was placed on the June ballot by a vote of 11 to 0.

(1) Airport Land Use Plan.

Airports Commission recommended modification to the Joint Powers Study Airport Land Use Plan to be used as the basis for continued public review prior to finalization as a part of the Airports Master Plan.

Mr. Heath said that as part of the Joint Land Use Plan, some preliminary work had been done by the consultants on ideas for use of Airport land.

Commissioner Goosby asked if the Commissioners had been sent the draft report.

Mr. Heath said they had been and he would see that Commissioner Goosby got a copy. He said that part of the study was to develop a land use plan for airport-owned land. He said that implementation of the plan was a number of years off, but the initial work will give a framework for the plan. He was sure that environmental studies would have to be made and there should be a great deal of participation by the communities around the Airport. Mr. Heath then asked Mr. Turpen to explain the plan to the Commission.

Mr. Turpen, Deputy Director for Operations, pointed out the plan on a map.

Commissioner Goosby said there had not been an opportunity for the Commission to discuss the plan and felt that with an item as important as this, the Commission should be more familiar with what they were being asked to approve. He felt the discussion should be in more detail.

Mr. Heath told Commissioner Goosby that the staff was not asking the Commission to approve the plan, but rather, asking for authority to go to the local communities for a discussion of the preliminary work done by the Land Use Committee plus the modifications suggested by staff. He said if staff started out with a preconceived plan and took it to the communities they would be opposed to it. His purpose with the item was to bring it to the Commission's attention.

Commissioner Kadish said the point that Commissioner Goosby brings up would be alleviated if the wording of the resolution were changed. She said the current wording implies that the plan had been reviewed by the Commission.

Commissioner Goosby expressed his feeling that the Commission should have an opportunity to participate before the plan was finalized. He said as a Commission item it should be presented by the staff to the Commission; let the Commission read it beforehand, and clarification of their questions should be made, etc. He said he could not approve the item at this point.

A member of the audience asked what the timetable was that was being considered for the development of the plan.

Mr. Heath said that it would take about a year.

The audience member asked when it would go to the airlines.

Mr. Heath said that the Airport would do that right now and develop a more detailed procedure later.

* * *

(2) Result of Airlines Vote on M & R Program

Mr. Heath said he met with the airlines last week and the airlines have not yet been willing to take a formal vote. He said they felt it was logical for the international arrival area to be in the Central Terminal, but the basic questions concerned which airlines will occupy new Pier E. The airlines have not been able to come to an agreement on that. They asked for the date for their vote to be extended until March 10. Then, if they could not reach an agreement, the decision would come back to the Commission with alternatives. He said that staff would look at the alternatives and try to determine which plan was best and make a recommendation to the Commission.

* * *

The following resolution was unanimously adopted:

(3) North Terminal Art Enrichment Program, $24,000.

No. 80-0055 — Resolution approving actions recommended by the Joint Committee for the Airport Art Enrichment Program and instructing the Controller to transfer sums in the amount indicated from the Airport's account to the holding fund account in order to allow appropriate contracts to be negotiated and certified.

Mr. Heath said the Art Commission had approved the purchases after their approval by the Joint Committee for the Airport Art Enrichment Program.

Commissioner Fleishell said that he felt the Airport should not be spending money on art because of the effects of Proposition 13 and the forthcoming lay-offs of employees. He said he felt the Commission should take the position that it would not spend money on art. He said the Airport was still part of the City even though it generated its own revenue.

Commissioner Goosby said that the mandatory set aside for art could be changed by a vote of the Board of Supervisors. He said he had felt somewhat uncomfortable about some of the art expenditures. He said that in order to give some meaning to Commissioner Fleishell's concerns, perhaps the Commission should ask the Board of Supervisors to discuss the issue.

Mr. Heath said he would ask Mr. Garibaldi to prepare a resolution.

Commissioner Fleishell said that with the finances of the City as they are, it seemed bizzare that the Airport should exist separate from other parts of the City.

Mr. Heath said he was not sure whether a change in the Administrative Code would allow the transfer of funds from the unexpended remainder or not.

Commissioner Kadish asked Commissioner Fleishell if he was aware that if this money was not spent for art that it could not be spent for any other purpose.

Commissioner Bernstein asked how the Airport planned to protect the $17,000 painting. He asked if the Airport had developed precautionary measures.

Mr. Heath said that right now none of the paintings are being displayed; the only art work currently on display is a large tapestry. The paintings under consideration will be put in plastic cases with special locks.

Commissioner Kadish said she would like to call to Commissioner Bernstein's attention the Bufano statues. She said that no one had damaged them. She said they have not been vandalized because there was respect being shown for the art. There has been only minor damage to any art in any airport. She said the least problem we have at present is vandalism. She said the Commission had to be concerned with the humanizing of the Airport. When the Commission sets a dollar value on an experience of the spirit, of aesthetics, then the Commission is getting caught in a trap.

Commissioner Fleishell reminded Commissioner Kadish that a dollar value had already been set.

Commissioner Kadish said since Commissioner Fleishell had an art gallery, he would know that any art carefully selected would have accrued a great deal in value.

* * *

The following resolution was unanimously adopted:

(4) San Mateo County Arts Council Agreement.

No. 80-0056 — Council will provide chamber music performances by the Twin Pines Ensemble in North Terminal Rotunda.

Mr. Heath said the Ensemble is an excellent group. He said this is a matching grant and it seemed to him that in view of the favorable publicity the Airport had received, it was a very worthwhile expenditure.

Commissioner Goosby asked if the group had started out with an understanding that they would apply for a grant.

Mr. Peter Singer, Deputy Director for Business and Finance, said the ensemble started Labor Day week. Their grant had been due to expire in December and an extension had been requested. Their CETA grant was extended through June but does not fully cover all the work of the ensemble. They asked if the Airport would contribute to help them meet their expenses.

Commissioner Goosby asked if other agencies are being asked to contribute additional money.

Mr. Singer said the Arts Council had contacted a firm to help them establish a fund-raising plan but he did not know if they have asked anyone else to contribute.

Commissioner Goosby said that if other organizations, such as old age homes, are benefitting from the group, the other institutions should also be putting up some money. He said he will vote for the appropriation but he thought other agencies should put up money.

Mr. Singer said that there was one error in the memo where it indicates the group is playing five days a week; they are playing only four.

* * *

The following resolution was unanimously adopted:

(5) Bid Call: Contract No. 1270, Remodeling U. S. Inspection Facilities at South Terminal.

No. 80-0057 — Resolution approving the final plans and specifications and authorizing the Director of Airports to call for bids for Airport Contract No. 1270, Remodeling U.S. Inspection Facilities, South Terminal.

Mr. Heath said that U.S. Inspection Facilities staff is working with Airport staff and the airlines to have a facility that will be capable of handling two 747's an hour.

Commissioner Goosby said the Airport staff should be congratulated even though the structure was only temporary. He said the government and the Mayor's office should realize that the Airport is trying to provide good facilities for the public.

* * *

The following resolution was adopted as amended:

(6) Amendment No. 1, Schematics for Remodeling Engineering Building, Robert B. Wong, Architect, $3,500.00.

No. 80-0058 — Resolution approving Amendment No. 1 in the amount of $3,500 to the professional services agreement with Robert B. Wong, Architect, to provide additional services to update and revise the schematics prepared for the remodeling of the Engineering Building.

Mr. Heath stated the reason for the increase is because reorganizing the Airport staff requires some additional work done to the offices. The $3,500.00 would be used for the additional planning.

Commissioner Kadish said she was concerned about the near doubling of the total cost from $500,000 to $950,000 in a period of less than a year. She said she did not understand the reasons.

Mr. Robert Lee, Deputy Director for Facilities Engineering and Maintenance, said that the major increase was to put in a new heating and ventilating system.

Commissioner Fleishell asked why an inspection hadn't been made before the expenditure was approved by the Commission.

Mr. Heath said that he didn't think staff could be expected to anticipate every problem that might be found when a remodeling job was being done.

Commissioner Fleishell said this was a typical situation where the Airport would hire consultants and then find that the Airport had to pay increased costs because something was not anticipated.

Mr. Heath said Commissioner Fleishell was asking him to have cost figures ready at the beginning of a project for which the cost was unsure. He said staff could, but the figures would have to be highly inflated in order to cover any unforeseen problems..

Commissioner Goosby asked if the building would be fuel efficient.

Mr. Heath said that, unfortunately, any building designed 15 years ago would be fuel inefficient.

Commissioner Fleishell said that summary of the item does not indicate the true amount of the money being spent.

Commissioner Kadish asked how much of the $450,000 would go toward the heating and air conditioning.

Mr. Lee said that it is estimated to cost $28.78 per square foot for the remodeling and that about $300,000 to $350,000 would go into the revised ventilating system. He said that this is a building that was used as the headquarters for Hughes Airwest and is full of cubbyholes that have to be torn down.

Commissioner Fleishell said he believed that that was a high price.

Commissioner Kadish said that inasmuch as the Commissioners want more information, she thought the Commission should approve only the $3,500 and the second part of the resolution should be stricken. She suggested that staff provide a complete cost breakdown to the Commission.

* * *

The following resolution was unanimously adopted:

(7) Resolution approving and requesting the City Attorney to join Los Angeles in seeking United States Supreme Court review of the decision in Greater Westchester Homeowners Association v. City of Los Angeles, 26 Cal. 3d 86.

No. 80-0059

* * *

Consent Calendar of Routine Administrative Matters.

The following resolutions were unanimously adopted:

(8) Emergency Repair of Sewer Line

No. 80-0060 — Resolution declaring the existence of an emergency in the failure of a sewer line in the North Field Area; directing the Director of Airports to effect the necessary repairs and requesting the Controller to certify funds needed to effect such repairs.

(9) Tenant Improvements: United Airlines Maintenance Operations Center, Interconnection of Electrical Substations in Building 15, $100,000; Relocate Direct Buried Utilities to Building 15 into Utilities Tunnel, $83,000; Reconstruct Paved Areas at Building 47, $82,000.

No. 80-0061 — Resolution approving the final plans and specifications submitted by United Air Lines showing several projects which they desire to undertake at the Maintenance Operations Center.

(10) Out of State Travel.

No. 80-0062 — Approval of travel for Dale Fearn to attend the annual conference of the American Association of Airport Executives to be held in Dallas, Texas, June 4 - 6, 1980, and for one Airport Operations Supervisor to attend the AA of AE International Airport Facilities Conference in Seattle, Washington, March 17-21, 1980.

* * *

Items Removed from Consent Calendar.

There were no items removed from the Consent Calendar.

* * *

Trailing Calendar.

There was no discussion of the item on the Trailing Calendar.

Adjournment.

There being no further business, the meeting was adjourned at 3:04 p.m.

Eric Craven
Commission Secretary

SAN FRANCISCO AIRPORTS COMMISSION

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MINUTES

Tuesday, March 18, 1980

DIANNE FEINSTEIN, MAYOR

COMMISSIONERS

MORRIS BERNSTEIN
President
WILLIAM K. COBLENTZ
Vice-President
RUTH S. KADISH
DR. Z.L. GOOSBY
J. EDWARD FLEISHELL

RICHARD R. HEATH
Director of Airports

San Francisco International Airport
San Francisco, California 94128

MINUTES
OF THE
AIRPORTS COMMISSION
MEETING

Tuesday, March 18, 1980

1. Call to Order:

The regular meeting of the Airports Commission was called to order at 2:02 p.m., in Room 282, City Hall, San Francisco, California.

* * *

2. Roll Call:

Present:	Commissioners Morris Bernstein, Ruth S. Kadish, William K. Coblentz*, Z. L. Goosby, J. Edward Fleishell.
Absent:	None

* * *

3. Pledge of Allegiance: Led by Commissioner Fleishell.

* * *

4. Approval of Minutes:

The following resolution was unanimously adopted:

No. 80-0063	Resolution adopting Minutes of the Airports Commission meeting of March 4, 1980.

* * *

*Commissioner Coblentz arrived at 2:34 p.m. during discussion of Item (4).

5. Director's Reports

(1) Report on Airport Medical Services

Report on medical services performed at other airports in response to Commission's request in connection with the consideration of the Medical Clinic contract for 1980-81.

Mr. Richard Heath, Director of Airports, presented the report.

* * *

The following resolution was unanimously adopted as amended:

(2) Proceedings for Handling Hazardous Cargo, Including Radioactive Cargo.

No. 80-0064 Resolution requiring Air Carriers using the San Francisco International Airport to strictly comply with all applicable regulations involving the shipment of hazardous materials.

Mr. Heath said this item was requested by Commissioner Kadish. He said that he had included in his report a copy of the current Rules and Regulations. He said that staff has tightened up and asked tenants to do the same.

Commissioner Kadish said the resolution addressed itself adequately to the matter, but did not state how procedures were to be monitored. She said the Airport has asked airlines to "tighten" their surveillance but will have no knowledge as to whether or not they have done so.

Mr. Heath said that present Airport regulations give the staff broad authority.

Commissioner Kadish said that in matters that pertain to people's general health and lives, the Airport should be very diligent.

Mr. Louis Turpen, Deputy Director for Operations, stated that there is a requirement for the airlines to report to staff through the Fire Marshall; also, the staff could make spot checks.

Commissioner Kadish said the Commission should add another 'resolved' clause to the resolution: "That air carriers shall make reports to the Airport of those shipments of hazardous materials which the Airport shall then monitor." She asked what the FAA's responsibility was in this regard.

Mr. Turpen said that certain materials are designated by the FAA as hazardous materials which require the filing of a waiver.

Commissioner Bernstein expressed his hope that these procedures would not require adding more employees to the staff.

Commissioner Fleishell said that he had heard of a situation where a barrel of radioactive material had dropped off a truck as it entered the Airport. His understanding was that this type of accident would not come within the purview of the Airport. He asked how the Airport could monitor the way a truck transports hazardous materials.

Mr. Turpen said the Airport can do its best to monitor items destined for the Airport.

Commissioner Fleishell said he was sure the PUC had rules on monitoring this type of situation.

Commissioner Kadish said that she had been informed that Minneapolis Airport had a good plan for monitoring these types of shipments, and felt it would be advisable for the Airport to contact them, study their procedures and use the procedures as a model for a San Francisco Airport program.

* * *

(3) Airport Master Plan.

Airports Commission modification of first draft of SFIA Master Plan update to be used as the basis for continued public airline review prior to finalization as the Airports Master Plan.

Mr. Heath asked Mr. Turpen to give a detailed report to the Commission on the development of the Airport Master Plan and timing of projects.

Mr. Turpen said that staff had outlined the procedure that it intended to follow in the development of the master plan at the last Commission meeting that this involved extensive distribution and discussion of the Plan. At the completion of the meetings, staff would provide the Commission with the results and then the Commission could make its decision.

Mr. Heath said that if within the next five years the plan should require building new facilities in the cargo areas, the Airport would have to do an environmental impact report.

* * *

(4) Airlines Vote on Revision to the Capital Project Plan.

Report on the results of the initial airline vote considering additions to the Capital Project Plan.

Mr. Heath said that under the landing fees agreement certain procedures are set out. A meeting must be held at which all airlines vote on a projected plan. A meeting was held on March 10 and thirteen airlines attended.

Mr. Heath said that the airlines have two problems with the revised M & R program: the final placement of each of the airlines; and funding -- will it be through bonds or from current revenues.

Mr. Heath said that if the airlines knew where they were going to be at the end, their vote might be different. The major question concerns who will be occupying Boarding Area E. He outlined the alternative plans: plans 2b, 3b and 3c, He said that based on the information staff had, it would appear that scheme 3c provided a better distribution of the passenger load among the three terminals. He suggested that the Commission might want to hear from the airlines.

Mr. Richard B. Jamison of American Airlines said that when the Alternative Modernization and Replacement (M & R) Program had been announced, American felt hostile to it. But, he said American recognized the attractiveness of the Alternative M & R Program to the Airport and to San Francisco.

Mr. Jamison said that American was trying to provide a competitive service to United and TWA. He said American had studied all alternatives and concluded that the only one that would work would be one in which American was located on Boarding Area E. He said he felt this way because of some good public service reasons. American had the second largest gate requirement and last year landed the second largest number of passengers. If American were on Boarding Area E, Mr. Jamison said it would be supplying United with its largest group of interline passengers. He then asked Mr. Charles Marks, American's architect and planner, to detail how his suggested plans could be achieved.

Mr. Marks said that he had sat on the committee that helped develop the original M & R program for thirteen years. He pointed out the various phases of the program American was suggesting on a series of maps which showed the various airlines in certain positions during 6 phases. He said that the program could be completed in 60 months.*

Mr. Jamison spoke again and said he felt that American had shown ingenuity in some impossible situations. He said there was a great need for a rapid decision from the Commission regarding this matter.

*Commissioner Coblentz arrived at this point in the meeting.

Mr. J. A. Chamberlain of Delta Airlines said that American's plan would work but that it was transferring the problem from one carrier to several others. He said he felt there was a commitment on the part of the Airport to maintain a position for Delta on Boarding Area E.

He said one aspect of the problem was that while Boarding Area E was under construction and was funded, other boarding areas were not funded. Other airlines will have problems because there doesn't appear to be any funding available.

Mr. Chamberlin said Delta is willing to work with PSA or American to work out any possible problems. He said the Commission should be aware that Boarding Area E would have only a limited amount of support area. It was designed for National and Delta to share. Mr. Chamberlin said it would be better to bring PSA into Boarding Area E to share the facility, but Delta would be glad to talk with Airport staff to work out an arrangement.

Commissioner Goosby asked if plan 3c was the one that kept American in Pier E.

Mr. Chamberlain said that 3c is satisfactory with Delta and that while support space would be tight, Delta was willing to work with either American or PSA.

Mr. Ron Nelson of Delta, said his airline was working with Airport staff in developing plans. He said that the Alternative M & R Program would require a substantial re-working of the boarding area.

Mr. John J. Hern of Eastern Airlines said he was at the meeting to talk about an immediate problem. He said they had been negotiating with National since January 7 to make a move to the North Terminal. On March 1st Eastern made an announcement that they were going to begin new transcontinental service. And, as of now, negotiations have ceased. He said Eastern was there to request the Commission to use its best efforts to help them obtain space.

Commissioner Coblentz asked why they ceased negotiations.

Mr. J. Steven Peters of National Airlines said that since the merger between National and Pan Am was consumated, problems were created regarding their ultimate settling on Boarding Area E. He said that National currently occupies space in the North Terminal through a sublease from United. He said that Pan Am and National would like to ultimately consolidate their operations in the Central Terminal on the Boarding Area D. But until the Central Terminal construction is completed, they would like to consolidate their operations in the South Terminal. However, before a continued Pan Am/National operation could move into the South Terminal, Air Canada would have to move into the North Terminal. Additionally, Eastern is having difficulty getting permanent gate space from which to operate. Eastern has been trying to get some of the gates National currently subleases.

Commissioner Fleishell asked National if they could transfer their sublease to Eastern.

Commissioner Coblentz suggested that perhaps the question should be directed to United Airlines.

Mr. Heath said that Mr. Turpen had told United that the Airport staff needed to know United's position on these moves within 24 hours. Mr. Heath said he supported the representations that have been made by National and Eastern. He said that things were going well until Eastern announced they were entering into transcontinental service.

Mr. Heath said that United can legally take a position that they will not sublease to Eastern or Air Canada under the terms of United's lease. However, the Commission might then want to move for recision of United's lease. He said the Airport cannot operate in a way so that if one airline refuses to cooperate the Airport has trouble functioning. He said he felt the Airport would have sufficient grounds to undertake a court action to rescind the lease if that action became necessary.

Mr. Heath said that the staff has been working on this situation for a number of months. He said the Airport could be in a position where nothing happens for a number of months or United says they will not sublease. For instance, United has chosen not to sublease or work with Continental, another possible North Terminal tenant.

Commissioner Coblentz recommended that if no answer was forthcoming shortly, a special meeting of the Commission be set to take appropriate action.

Mr. Heath said there are two problems. There are moves needed before National can move out of the North Terminal. The South Terminal is bearing too large a load and something has to be done. If the Commission could indicate what their inclination was as to where they feel American should move, it would assist the airlines in their next vote. Mr. Heath said his personal recommendation is that American Airlines be assigned to Boarding Area E and that a definite effort be made to work out a viable recommendation which will provide a better balance to utilization of the three terminals.

Commissioner Kadish reminded Mr. Heath that the Commission had received a telegram from PSA saying that they support the plan whereby Delta and American end up on Boarding Area E. PSA would not mind ending up on Boarding Area C. Commissioner Kadish said if it was a toss-up between different plans, PSA has removed one alternative by concurring with the possible decision that Delta and American end up on Boarding Area E. She said it was her feeling that not everybody will get what they want.

Commissioner Bernstein asked if it wasn't possible to use some of the temporarily-abandoned gates in the Central Terminal.

Mr. Heath said that they could be used temporarily. He said the Airport now has the funding to build the International Arrivals Area and build Boarding Area D. He said from the standpoint of the entire Airport that the decision to build Boarding Area D makes sense. If for some reason there was a long period with no additional funding, the Airport would still be able to provide an adequate International Arrivals Area and the rest of the Airport could continue to work. He said that staff could keep patching it together for a period of ten years or so and still have it useable.

Mr. Jan Blais of United Airlines asked to respond. He said he had heard from Mr. Heath and the Commission that plan 3c is something they would like to examine further. He said that if the Airport took two gates away from United, that would leave United with 18 gates, a situation which would eliminate any possibility of United subleasing Pier H to Air Canada, Eastern or anyone else. United was not talking with Eastern Airlines. But, he said, United would step back and take another look at it.

Commissioner Bernstein suggested trying to resolve the situation by calling a special meeting of the Commission.

Mr. Heath said the Airport could not continue having individual deciding what was best for the Airport. He said that the Airports Commission has to decide what was best for the Airport. He said that United could not run the Airport. Mr. Heath said if the Airport is going to be run for the traveling public, then the Commission has to take this matter under its control.

Mr. Blais then asked if the Commission was projecting a signal as to which plan was most acceptable.

Mr. Marshall Patterson of Continental said that they had requested additional facilities to accommodate their growth. Lack of a firm commitment has been very restrictive to their planning. Mr. Patterson said that Continental supported the Alternative M & R Program.

* * *

) Additional Expenditures for Art.

A resolution suspending any further expenditures for art enrichment at this Airport.

Consideration of Item (5) was postponed to a future meeting.

* * *

) Noise Impaction due to Airport Flying Over the Excelsior and Crocker Amazon.

Mr. Len Heinz distributed copies of his comments and a petition to the Commission. He introduced members of his steering committee and then read his comments (which are part of the public record on file in the Commission Secretary's office). He concluded his comments by inquiring of the Commission as to what plan the Commission had for eliminating noise over the Crocker-Amazon area. He suggested that the planes should be crossing over the Brisbane area, a less populated area, or over water.

Mr. Heath thanked Mr. Heinz for appearing. He said that this complaint was heard from a number of people and that he would prepare a resolution on this problem. Mr. Heath said the problem is that the Airport has no control over an aircraft once it has left the ground. He said that the Airport is trying to improve the noise monitoring system and it hopes to put a monitor in the Crocker-Amazon area.

Commissioner Fleishell asked Mr. Heinz if he planned to make the same presentation to the Oakland Airport. Commissioner Fleishell said they fly the same route.

Commissioner Kadish suggested that it would be all well and good for the Commission to pass a resolution but there had to be some influence brought to bear on the FAA. Commissioner Kadish suggested that limiting Mr. Heinz' efforts to influencing the Airports Commission might not be going far enough.

Mr. Heinz agreed. He asked an associate of his Ms. Lucy Cannorozzi to address the Commission.

Ms. Cannorozzi said that she had a letter from a lady who had to seek medical help because of airplane noise. She said there are planes coming from Oakland, but they are flying higher and following their map.

Commissioner Goosby said that, as he understood it, Ms. Cannorozzi and Mr. Heinz were asking the Commission to assist them in getting the attention of the FAA.

Ms. Cannorozzi said that she and Mr. Heinz simply want the FAA to do what they said they are supposed to do.

Mr. Vince Mellone, Chief, FAA Bay TRACON, asked how many flights were coming over their community.

Ms. Cannorozzi said about 80.

Mr. Mellone said that that was fortunate because currently over 300 flights per day are leaving San Francisco.

Dr. Goosby asked if there were also flights leaving Oakland.

Mr. Mellone said yes there were an additional 52 flights per day from Oakland. Mr. Mellone said he was not satisfied, though, that the people in the Crocker-Amazon were being disturbed by 80 of the roughly 350 flights per day. He said the FAA wanted to improve matters still further.

Mr. Mellone used a map with overlays which indicates the routes used by planes. He said there is a lot more traffic than is realized. He said an air route is not like the Bay Bridge. You cannot stop a plane in the sky, so regarding bus routes, the only alternative is to hold planes on the ground. He then asked Capt. William Hawkings of TWA to speak.

Capt Hawkings said that when a lay-person views a flight chart they anticipate that an airplane will fly exactly as shown on that chart. He said 4 miles is allowed on either sice of any given route or turn.

Commissioner Coblentz said that the prime authority to deal with the problem lies with the FAA. He felt it was incumbent on both the community people and the FAA to work out some solution to the problem.

* * *

Agenda Items Involving Airport Policies/Operational Decisions.

The following item was unanimously adopted:

(7) Approval of Budget and Amendment No. 1, O'Brien-Kreitzberg & Associates, Inc.

No. 80-0065 — Resolution approving budget of $330,000 for the second 12-month period and Amendment No. 1 for Professional Services Agreement with O'Brien-Kreitzberg and Associates, Inc., requesting Controller certification of $208,000 in addition to unexpended balance of $122,000.

* * *

The following items were unanimously adopted:

(8) Modification of United Airlines' Maintenance Base Lease Agreement.

No. 80-0066 — Resolution approving modification of United Airlines Maintenance Base Lease and authorizing rental credits for unamortized improvements and overpayments of rent.

(9) Operations Letter of Agreement with the Chief of Air Traffic Control Tower.

No. 80-0067 — Resolution approving the Director of Airports to sign a letter of agreement between the Air Traffic Control Tower and the Airports Commission.

* * *

(10) Award of Airport Contract No. 1233, Overlay and Reconstruction, Runway 10R-28L, Intersections and Taxiway "J".

Item (10) was removed from Calendar.

* * *

(11) Item (11) was considered later in the meeting (see page 11, below).

* * *

Consent Calendar of Routine Administrative Matters.

(12) Airport Development Aid Program (ADAP) Project No. 6-06-0221-11, Project Application.

No. 80-0068 — Resolution requesting the Mayor to recommend to the Board of Supervisors the adoption of a resolution authorizing the Airports Commission to submit ADAP Project Application No. 11 to the Federal Aviation Administration for a grant of Federal funds and accept the resulting Grant Offer.

(13) Professional Services - Pacific Environmental Laboratory.

No. 80-0069 — Resolution approving an extension of time for completion of work required in the Professional Services Agreement with Pacific Environmental Laboratory.

(14) Modification No. 1 and Completion of Airport Contract No. 1059, Slurry Filling of Abandoned Fuel Lines.

No. 80-0070 — Resolution accepting the work under Airport Contract No. 1059, Slurry Filling of Abandoned Fuel Lines, as satisfactorily completed; extending the completion date from October 30, 1979 to December 28, 1979; approving and requesting the Controller's certification of credit modification No. 1 in the amount of $5,013.30; and approving final payment in the amount of $6,664.20 in favor of the contractor, Piombo Corporation, 1601 Industrial Way, Belmont, CA 94002.

(15) Tenant Improvement: Trans World Airways, Modernize 400 Hz Power System at Pier F, $80,000.

No. 80-0071

Resolution approving the final plans and specifications submitted by TWA showing the construction of a new generator room at a lower level of Pier F and a new 400 Hz. power distribution system to each of TWA's nine gates. The new room will house a new motor-generator set which will replace four outdoor sets presently being used.

* * *

A. Recess.

The Commission recessed between 4:00 and 4:13 PM.

. Agenda Items Involving Airport Policies or Major Operational Decisions.(continued).

The following item was discussed but no action taken:

(11) Public Automobile Parking Facilities, San Francisco International Airport.

Resolution approving award of contract for operation of Public Automobile Parking Facilities at San Francisco International Airport.

Mr. Heath said this item concerns the award of the operating agreement of the public automobile parking facility at the Airport. He said 9 firms had been approved as being qualified to bid. Seven bids were received. He explained the terms of the bid. He said examination of the bids revealed that the word "authorized" had been inserted and typed into the bid document by the apparent low bidder, Airport Parking Management. Based on the opinion of the City Attorney it is the Commission's responsibility to determine whether or not that insertion is material or can be considered a "clerical" error. He stated that he knows there are people in the audience who wish to comment but that he felt it appropriate to call Mr. Leonoudakis at this time. He added that the remarks were being recorded by a court reporter.

Mr. Leonoudakis said there was only one biddable feature in the contract, the percentage of the gross revenue that the operator would ask for his services. He stated that as he went through the document he came to paragraph (6, W). He said this paragraph had not been discussed during the pre-bid conference. He said he read it as a lawyer and realized that it referred to tow-car operations. He said in the 9 years that Parking Management has operated, they had never released a car from the impound area without the authorization of the police. He then explained the towing procedure.

Mr. Leonoudakis stated that his group is now certified by the Human Rights Commission as meeting their requirements.

Mr. Leonoudakis said that he wished to have his statement and information regarding towing at the Airport Garage entered in the public record (this information is on file and available for public inspection at the Commission Secretary's office).

Mr. William Turner, an attorney for APCOA/Synpark, called specific attention to the alteration of the contract. He said that there are specific instructions to the bidders that if they see anything that they feel should be changed, they should notify the Director of Airports.

Mr. Turner questioned the use of the word "inadvertently" by Mr. Leonoudakis when Mr. Leonoudakis said he had deliberately corrected the contract by adding the work "authorized". Mr. Turner said the current practice is for towing revenues to go into the gross revenues on which the operator bids. He questioned how much was charged per tow and said it seems to be handled at the discretion of APM.

Mr. Turner also questioned the certification of APM by the Human Rights Commission, stating that they included janitors in the figures of percentages of minorities.

Additionally, Mr. Turner said the Airports Commission should consider the conflict of interest in awarding a contract to the same firm that operates the Airporter bus.

Mr. Leonoudakis restated his position that his company had affirmative action approval.

Mr. Mike Griffin of APCOA stated that this matter concerns a business judgment, not an engineering spec. He said there is nothing in the bid document that indicates that towing receipts are part of the gross revenue, nor is there accountability for the towing revenue. He felt that Mr. Leonoudakis knew full well he should not have included that one word.

Mr. Arnold Townsend, Executive Director of the Western Addition Project Area Committee (WAPAC) stated his views about the San Francisco community and its commitment to affirmative action. He said that he had found that the people in Synpark had a very real commitment to affirmative action. He said he supported giving the contract to them. He said there was a problem when a company had a contract for 9 years and was only now submitting an affirmative action plan.

Ms. Susan Tam of Chinese for Affirmative Action (CAA) said her group had worked for the past two years with Airport staff and other agencies without much success in increasing the number of minorities employed at the Airport. She said that she had heard many reasons why minorities couldn't be hired. She stated that she was present to urge Commission not to award the contract on the basis of the lowest bid alone, but to use this opportunity to encourage minority business. She said the Commission should consider people's hiring practices and their commitment to affirmative action.

Mr. Garibaldi stated that on March 11 he submitted a memo which discussed the legality of inserting an alteration to Section W. He said that he found the insertion to be a clerical error and there was nothing that had caused him to alter that opinion. APM has satisfied the requirements of the bid. With respect to the claim that there is a conflict of interest, there really is none as he interpreted the law.

Commissioner Goosby asked for Mr. Garibaldi's opinion of the phrase that "the operator will not engage in any other business". Commissioner Goosby asked if that would prohibit the operator from having another contract.

Mr. Garibaldi said that it is recognized in the contract that the operator can have other agreements at the Airport.

Commissioner Bernstein said that he had not read the declaration of Mr. Leonoudakis and would like the opportunity to think about it. He suggested that the matter be taken under advisement and discussed at the next meeting.

Commissioner Goosby asked if there was any controlling contract that will affect the tow charges and lein fees. He said that APM is required to account for receipts from three sources: parking fees, tow fees and others. There is a separate means whereby this money is reconciled. He asked if those receipts were examined. They don't come in as part of all the revenues collected by the garage operator. He asked if the report identifies all the money which goes into the Airport account.

Mr. Singer, Deputy Director, Business/Finance, said that the operator serves as a cashier.

Commissioner Goosby said he was curious as to whether the Airport approves the accounting. He asked about who sells automobiles abandoned at the Airport.

Mr. Singer said there was public notice and public sale; that the Airport receives all the monies that result from the sale above towing charges.

Mr. Turpen said that lein sales are a very delicate thing and the Airport has made a scrupulous effort to separate the operator of the garage from sales.

Commissioner Bernstein said that Commission will take the matter under advisement and come to a decision at the next meeting.

* * *

Items Removed from Consent Calendar.

No items were removed from the Consent Calendar.

* * *

. Trailing Calendar.

No comment was made about the item on the Trailing Calendar.

* * *

. Adjournment.

There being no further business, the meeting adjourned at 5:07 p.m.

Eric Craven
Commission Secretary

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MINUTES

Tuesday, April 1, 1980

DIANNE FEINSTEIN, MAYOR

COMMISSIONERS

MORRIS BERNSTEIN
President
WILLIAM K. COBLENTZ
Vice-President
RUTH S. KADISH
DR. Z.L. GOOSBY
J. EDWARD FLEISHELL

RICHARD R. HEATH
Director of Airports

San Francisco International Airport
San Francisco, California 94128

MINUTES
OF THE
AIRPORTS COMMISSION
MEETING

Tuesday, April 1, 1980

1. Call to Order:

The regular meeting of the Airports Commission was called to order at 2:01 p.m., in Room 282, City Hall, San Francisco, California.

* * *

2. Roll Call:

Present: Commissioners Morris Bernstein, William K. Coblentz, Ruth S. Kadish Z. L. Goosby*, J. Edward Fleishell.

Absent: None.

* * *

3. Pledge of Allegiance: Led by Commissioner Kadish.

* * *

4. Approval of Minutes:

The following resolution was unanimously adopted:

No. 80-0072 Resolution adopting Minutes of the Airports Commission meeting of March 18, 1980.

* * *

*Commissioner Goosby arrived at 2:08 ;.m., during discussion of Item (1), Officer of the Year.

Special Item:

The following resolution was unanimously adopted:

(1) Commendation: Officer of the Year

No. 80-0073 — Resolution naming Patrick Wetteland Officer of the Year and expressing Commission appreciation for his dedication and service to the public.

Mr. Richard Heath, Director of Airports, explained that Officer Wetteland was selected for this honor by a vote of the first line supervisory personnel who daily observed the actions of the police. Mr. Heath said Officer Wetteland exemplified the high level of professionalism for which the Police are striving.

Commission President Bernstein presented the award, and congratulated Officer Wetteland.

* * *

Director's Reports

(2) General Aviation: Ramp Fee and Surcharge for Aircraft Under 10,000 Pounds.

Mr. Heath explained this item concerned the continuing problem of general aviation aircraft weighing less than 10,000 pounds which do not pay a landing fee or for short periods of parking. It had been discovered there were legal restaints to collection of fees through Butler Aviation, and Mr. Heath said he was now proposing that a ramp surcharge be made for such aircraft. Mr. Heath asked that this matter be set for a public hearing at the April 15 meeting, prior to adoption of new rates and charges by the Commission.

* * *

(3) Analysis of Entertainment Center/Game Room at San Francisco International Airport.

Mr. Heath said a survey was made of other airports and those which had such facilities had found them profitable; the airports which did not contain such facilities reported that was due to lack of space or the belief that such a center would be "tacky". Mr. Heath said he had drawn the conclusion that electronic video games and pinball games might be proper if confined to an enclosed area which need not be in a high traffic area. Mr. Heath said if the Commission desired to proceed with such installation, staff would prepare a specific proposal and suggested each Commissioner let him know their feelings.

* * *

(4) Implementation of FIRM Project

Mr. Heath reported there had been additional difficulties in tying the system into the Controller's EDP and in addition, the Airport's programmer had resigned and had not yet been replaced. It was hoped there would be an adequate accounting system in place by July 1.

* * *

Items Initiated by Commissioners

(4A) Engineering Building

Commissioner Kadish asked about the progress on the Engineering Building.

Mr. Heath said that since the architect was almost through with schematic drawings, it would be better to wait for them, for budget review purposes.

* * *

(4B) Reading Room/Quiet Room

Commissioner Kadish asked the progress on installation of quiet rooms at the Airport.

Mr. Heath said it was planned to present a report at the next meeting on what the architects are presently designing.

* * *

(4C) Additional Publicity for Airport

Commissioner Kadish said she had noted a great deal of publicity recently in the various trade journals and that, while it was good that such publicity was appearing, she would like it more widely circulated.

* * *

(4D) Trailing Calendar Items

Commissioner Kadish asked Mr. Eric Craven, Secretary to the Commission, to check on several items which had apparently been dropped from the Trailing Calendar, and bring those items to the Commission's attention.

* * *

(4E) TV Sets in Lounge Areas

(4F) Valet Parking

(4G) Parking Charges for Employees.

(4H) Interior Court Parking Charges

Commissioner Coblentz asked that the following questions be answered at the next meeting: (1) television sets in one area; (2) discontinuance of valet parking; (3) parking charges for airline employees; (4) interior court VIP parking charges.

Mr. Heath said that Mr. Louis Turpen, Deputy Director for Operations, and his staff were preparing a report on parking and ground transportation which would answer all questions except on TV. Mr. Heath said TV could be in the lounge areas, either as part of an entertainment center or as an airport facility. Mr. Heath also said that in most airports, advertising connected with TV paid the cost of maintenance, repair, etc.

Commissioner Coblentz said he thought the idea of installing the TV sets as was done in bus stations was disgraceful, but rather, TV sets should be dispersed throughout the public areas of the three terminals.

Mr. Heath said this could be done at no cost, or as a concession.

* * *

(4I) Sculpture Donated by Artists

Commissioner Goosby referred to the Committee of the Airports Commission and Art Commission dealing with art, saying he had been contacted by an artist who had been asked to contribute some sculpture. The Committee reviewed and approved the sculpture, but no further action was taken.

Commissioner Kadish said she had attended most of the meetings and did not remember such an event and asked for more details.

Mr. Heath requested the name of the sculptor and said some articles had been commissioned and purchased but were not yet installed, as the Committee had decided to display all the works at the same time.

* * *

The following resolution was adopted; 4 ayes (Bernstein, Kadish, Goosby, Fleishell) to 1 nay (Coblentz):

(4J) Support of Oakland Acquisition of Hamilton Air Force Base

No. 80-0074 — Resolution supporting the Port of Oakland in its efforts to acquire Hamilton Air Force Base for future use as a general aviation airport.

Mr. Heath explained that a resolution was enacted at the last meeting of the Joint Powers Board of the Airport Land Use Study supporting Oakland's actions, and Commissioner Fleishell had asked that a similar resolution be prepared.

Commissioner Fleishell recalled that a resolution encouraging the federal government not dispose of Hamilton before a study was done on possible future use and since then, Oakland had been actively involved in securing the property for civil airport purposes. Also, the MTC and the San Mateo County Board of Supervisors were preparing resolutions encouraging Oakland's activities. Commissioner Fleishell felt that passage of this resolution would be helpful in working with the Airport's constituency in San Mateo County.

Commissioner Goosby asked if there had been any discussions with Oakland on how San Francisco might be involved in the development of such an installation to the mutual advantage of both cities.

Mr. Heath said he had discussed the matter with Oakland officials, and their plan was it should be basically a general aviation airport for corporate jets, private aircraft, rather than for commercial aircraft. Also, air taxi service between all Bay Area airports should be encouraged.

* * *

Agenda Items Involving Airport Policies or Major Operational Decisions.

The following resolution was unanimously adopted:

(5) Approval of International Arrivals Facilities in Central Terminal Complex and Location of Airlines at Completion of M & R Program.

No. 80-0075 — Resolution approving the relocation of the International Arrivals Facilities from the South Terminal to the Central Terminal Complex, and, for planning purposes, the general location of airlines upon completion of the Modernization and Replacement Phase of the Airport's Terminal Contraction Program. Based on this airline location plan, the Director of Airports is requested to revise and update the Terminal Master Plan, Master Schedule, and Program Budget for the Commission's approval.

Mr. Heath explained that staff had been working with the airlines to develop an Alternative M & R Program which would involve placing the International Arrivals Area in the Central Terminal. While there had been difficulty in working out arrangements, particularly in view of uncertain financing, it was important to carry out the remaining portions of this project. Mr. Heath said he felt it important to move forward on the assumption that somehow financing would be obtained to complete the program, and recommended approval of this resolution.

Commissioner Fleishell questioned the item being on the agenda, in view of the sensitive negotiations with the airlines which are in process.

Mr. Heath said he understood that viewpoint, but felt it was important to proceed along the lines of a proposed plan.

Commissioner Fleishell questioned the need for haste, in view of the fact that last year architects were engaged to plan for remodeling the South and Central Terminals and after spending almost three million dollars, the plan had been changed.

Commissioner Coblentz said a general plan for the International terminal must be provided and the airlines should be told that the Commission wanted to place that facility in the Central Terminal.

Commissioner Goosby agreed that a decision on this matter had been made and while he shared Commissioner Fleishell's concerns, it was important to move ahead, in view of the escalation of construction costs.

Commissioner Kadish said it was important to take a firm position on the direction the Airport was going, noting that the proposed division of the airlines between the various terminals would not be set in concrete.

Mr. Heath said the resolution would firmly and finally place the International Arrivals Area in the Central Terminal and, for planning purposes only, the general locations of the airlines. However, there would be changes over the next five years and those changes could be accommodated.

Mr. Steven Peters, representing Pan American World Airways, said his company supported the international facility being in the Central Terminal and that they were working as rapidly as possible to consolidate their National/Pan Am operations in the South Terminal. He had questions about the relocation, and about Air Canada and what progress staff had made in this regard.

Mr. Heath said staff was working with UAL and other airlines to resolve the problem. Mr. Heath said he had asked for a solution by April 4.

Mr. Clifford T. Argue of Continental Airlines said Continental also supported the plan but Continental was primarily concerned about interim arrangements and having a facility of their own. Mr. Argue said that he hoped the Commission would approve all airlines' accommodations at once, and not individually.

Mr. Bob Baxter, PSA, said his company also supported the location of international carriers in the Central Terminal and felt it was a prudent economic move. Mr. Baxter said PSA was very concerned about their long-term position.

Mr. John Hearn, Eastern Airlines, said they also supported the proposed location for the International Area. Mr. Hearn said Eastern had a problem with facilities at the present time, which hopefully would be resolved this week.

Mr. James Chamberlin of Delta objected to the proposed revision of the M&R Program, saying that the Central Terminal would be under utilized, in that the foreign carriers boarded between 10 and 15 percent of the passengers, but the proposed plan would give them about 30 percent of available space. Mr. Chamberlin said there were a number of interim moves which had not been covered by the program. Mr. Chamberlin said he felt it unfair to force Delta into reductions of space when their planning has been contingent upon previously approved allocations.

Mr. Heath responded that the Central Terminal will contain only 17.8 percent of the space and will handle 18.6 percent landed weight and 13.6 percent of the passengers. Mr. Heath presented the figures for all three terminals. He also said that in recent months when the total number of passengers had been dropping off, the number of international travelers had been increasing. Mr. Heath said that he didn't feel the decision could be postponed any further nor could a solution be reached through further discussion. He said that the Airport could not fulfill the needs of every airline.

Mr. R. B. Jamison of American Airlines spoke to the effect that the revised M&R Program dispossessed American and while his company had been working with Delta, problems unresolved remained. Mr. Jamison suggested that of the eight available aircraft parking positions, American be allocated five and a half, with one shared gate.

Mr. Chamberlin again spoke, objecting to the reduction in allocation of gates to Delta, and said that Mr. Jamison's plan left one gate jointly controlled by Delta and American.

* * *

The following resolution was unanimously adopted:

(6) Implementation of Changes and Additions to the Airport Capital Project Plan

No. 80-0076 — Resolution approving various changes and additions to the Airport Capital Project Plan. Revised projects include:

Contract No. 1010 - Boarding Area "A", West Modifications to South Terminal

Contract No. 1200 - Boarding Area "D", (with FIS Facility) and Central Terminal

New Projects include:

Contract No. 1011 - Reconstruct Taxiway C to Plot 50

Contract No. 1247 - Alterations to Maintenance Building

Contract No. 1250 - Overlay and Reconstruct Runway 1R-19L

Contract No. 1274 - Improvements to Field Drainage System

Contract No. 1275 - Relocation of Utilities, Lower Level, Loop Road

Contract No. 1278 - Garage Signing Revisions

Contract No. 1279 - Freeway Changeable Message Signing

Mr. Heath explained this resolution merely puts certain projects into the Capital Plan and that the basic reason they are not approved by total airline vote was (1) a question on where each airline will be located and, (2), how much space was involved and how it would be financed.

Mr. C. Walter Birkelo, from the City of South San Francisco and also representing Daly City, Pacifica and other North County cities, urged that the work on Runway One be expedited, possibly with three shifts, in order to reduce the time the noise will be increased through greater usage of other departure routes.

Ms. Jackie Grier, representing Flying Tiger, said her company supported the City's recommendation to adopt the reconstruction program in its entirety, as it was in the public interest. Also, three primary tenants in the primary cargo area would be served, and would make the site developable by Flying Tiger. Ms. Grier said that since her company would finance the construction of their own ramp at $2.5 million, it would be an undue burden to be forced to finance the adjoining taxiway.

Mr. Frank Nakashima of Japan Air Lines said he favored the resolution.

Commissioner Goosby inquired if Airport staff anticipated a financial shortfall.

Mr. Singer explained that any shortfall would be made up by increased landing fees.

* * *

The following resolution was unanimously adopted:

(7) Contract No. 1200, Central Terminal Modernization Approval of Schematic Plans and Amendment No. 5 to Gensler and Associates, Professional Services Agreement.

No. 80-0077 — Resolution approving schematic plans and Amendment No. 5 to Gensler and Associates professional services agreement authorizing the preliminary design phase for Contract No. 1200, Central Terminal Modernization, to proceed.

Mr. Craven called attention to changes in the original document (1) Human Rights Commission had given approval and, (2), planning must be completed within 45 days.

Mr. Heath said that Gensler had fulfilled the original time frame for schematic plans.

* * *

(8) Award of Contract for Operation of Public Automobile Parking Facilities at San Francisco International Airport.

The following resolution was defeated 1 aye (Goosby) to 4 nays (Bernstein, Coblentz, Kadish, Fleishell).

Resolution rejecting all previous bids on Public Automobile Parking Facilities and directing staff to prepare documents for rebid procedures.

The following resolution was adopted 4 ayes (Bernstein, Coblentz Kadish, Fleishell) to 1 nay (Goosby):

No. 80-0078 — Resolution awarding the contract for the operation of Public Parking Facilities at San Francisco International Airport to the lowest responsible bidder, Airport Parking Management.

Mr. Heath explained that this item had been put over from the last meeting when public testimony had been received on the issue of the bids. Airport Parking Management had been the lowest bidder, but the bid contained a defect. The question was whether it was a technical or material defect. Mr. Heath explained the three alternatives before the Commission, but warned that if all bids were rejected it could take as long as a year to go through the rebidding process.

Commissioner Bernstein referred to his receipt of a letter from Supervisor Carol Ruth Silver which requested that a hearing be scheduled on the matter, but said that a number of public hearings had already been held at Commission meetings. The Commissioner said that Supervisors Nancy Walker and Doris Ward had also had questions on this subject.

Mr. William B. Turner, attorney for APCOA/Synpark, spoke at length in regard to the defect, stating his opinion that if his client had known there was money to be made from towing in the garage, the bid would have been different. Mr. Turner said that Mr. Garibaldi's memo should be issued as a formal City Attorney Opinion if it was to be considered in the award process. He also stated that if all bids were rejected, the long period of time before rebidding, which had been noted by Mr. Heath, would be satisfactory to his client.

Commissioner Bernstein said the Commission was guided by the City Attorney, and his advice had been to disregard the defect entirely. Commissioner Bernstein said he personally would disregard the defect and his decision would be based solely on the merits of the contract.

Commissioner Goosby said that he had a different view, that the insertion of the word changed the contract, and he was sure other bidders would testify that their bids had been affected.

Mr. Heath said the contract would be administered as written, not the terms in the minds of any bidder.

Mr. Stephan Leonoudakis of Airport Parking Management said the recent brief he had submitted indicated APM was in the parking business, not the towing business, and the insertion of the work "authorized" referred to the release of vehicles from impound areas.

Commissioner Goosby spoke at some length on the importance of this contract and that there should be no compromise or cloud over the award. Commissioner Goosby then made the motion to reject all bids and rebid the contract, which was defeated by a four to one vote.

Commissioner Fleishell said that, in view of the confusion over this award, there should be a "hold harmless" clause in the contract in the event of legal action.

Mr. Leonoudakis agreed that he would enter into such an agreement.

* * *

The following resolution was adopted as amended by the following vote: 3 ayes (Bernstein, Coblentz, Kadish) to 2 nays (Goosby, Fleishell):

(9) Airport Medical Clinic

No. 80-0079 — Resolution approving renewal of the professional services agreement with the San Francisco International Airport Medical Clinic. Resolution as amended directs that the contract should go out to bid prior to June 30, 1983.

Mr. Heath explained that a decision on the amount to be allowed the Medical Clinic must be made to enable Dr. Smookler to make proper decisions regarding hiring. Mr. Heath explained the various alternatives and said he recommended that the $103,000 be approved, as that would provide for total coverage and included the rental amount which had previously not appeared as part of the agreement. A reduced amount of money would force the Clinic to close on certain holidays, and Mr. Heath said he felt those days should be open since they were among the busiest.

Commissioner Kadish asked that the resolution be amended to direct that there be ample time allowed, prior to the expiration of the contract on June 30, 1983, so that the service could be bid on and there would be no disruption in the service.

Commissioner Fleishell objected to the resolution, saying he thought it unconscionable to subsidize a business that takes in $800,000.

Mr. Heath said the Airport was not subsidizing, it was payment for services to the traveling public.

Commissioner Goosby also objected, stating that a private medical practice was being subsidized.

* * *

The following resolution was unanimously adopted:

(10) Support of COMO Concerning Flights Over Southern San Francisco

No. 80-0080 — Resolution in support of COMO concerning overflights above the heavily populated southern portion of the City of San Francisco.

* * *

The following resolution was placed before the Commission for discussion; subsequently, further consideration was postponed to a future meeting:

(11) Award of Airport Contract No. 1233, Overlay and Reconstruction - Runway 10R-28L Intersections and Taxiway "J".

Resolution awarding Contract No. 1233, Overlay and Reconstruction Runway 10R-28L Intersections and Taxiway "J" to Piombo Corporation, 1601 Industrial Way, Belmont, CA 94002, in the total amount of $1,938,190.00. The purpose of this contract is to provide a partial bituminous surface overlay and to reconstruct other portions of the runway in order to upgrade the pavement to accommodate the heavier wide-body aircraft.

Four bids received on February 28, 1980 were:

1. Piombo Corp.	$1,938.190.00
2. McGuire & Hester	2,215,108.00
3. Branaugh Excavating, Inc.	2,239,730.75
4. Bay Cities Paving and Grading	3,047,603.00

Mr. Heath said the apparent low bidder was Piombo Corporation, but that he had received a letter from the Human Rights Commission stating Piombo was not a qualified bidder, which meant the contract could not be awarded to them.

Commissioner Kadish asked what work HRC had done to assist in getting them qualified.

Mr. Grant Mickins, Director of The Human Rights Commission, said his staff had been investigating the matter and after a review of bid documents and the qualifications, it had been determined Piombo did not meet the qualifications.

Commissioner Coblentz said he understood from the memo in the Commissioners' packet that the firm had qualified.

Mr. Robert Lee, Deputy Director, explained the information he had supplied had been given in order to get the matter on the calendar. He said that he had been fairly sure that Piombo would be qualified as had been the practice in the past.

Mr. Heath apologized to the Commission for this misunderstanding.

Mr. Mickins explained further that the same question of the minority contractor had arisen at the Moscone Center regarding Piombo. And it involved the same subcontractor, Wong. A conditional approval had been given, although the basic question is whether or not Wong is a bona fide minority firm.

Commissioner Kadish said this matter should be carefully pursued and the HRC should provide a service to the Airport, not only in monitoring for qualifications, but to assist the low bidder to qualify for the job.

Commissioner Bernstein asked if Piombo would have time to correct this matter and, while he was in favor of a minority program, it was a disgraceful situation wherein the low bidder could not be given the project.

Mr. Mickins said it was a question of whether or not minorities will get the opportunity to participate in an honest way; there were other bidders; at times it was possible to continue a matter until such situations are worked out; however, the current bid as presented, based on HRC investigation, did not fulfill the requirements.

Commissioner Fleishell asked that the matter be put over until April 15, and directed staff to meet with the low bidder, discern the deficiency, and meet with HRC to see what is being done to assist Piombo to comply with the rules.

Mr. William McInerney, attorney for Piombo and Wong, said his clients would be only too willing to work with staff and HRC on any reasonable suggestions they have. Mr. McInerney said Mr. Wong has qualified four times in the past as a minority contractor with the City of San Francisco.

Mr. Heath warned that this contract must be awarded at the next meeting or the work would have to be delayed until next year.

Mr. Jim Gardner, Bayside Construction Company, spoke in opposition to any award to Piombo, in view of the questions about Piombo's subcontracting to minority firms.

* * *

The following resolution was unanimously adopted:

(12) Approval of Professional Services Agreement: T.Y. Lin, International Pedestrian Bridges Between Elevated Roadways at Central Terminal.

No. 80-0081 — Resolution approving the professional services agreement and employment of T. Y. Lin International of San Francisco, to provide engineering services for the preparation of contract plans and specifications for the Pedestrian Bridges between elevated roadways at Central Terminal.

* * *

The following resolution was adopted 4 ayes (Bernstein, Coblentz, Goosby, Fleishell) to 1 nay (Kadish):

(13) Tenant Improvements, Preliminary Approvals

No. 80-0082 — Resolution approving preliminary plans and schematics for the following tenant improvements:

North Terminal Jewelry Shop;
South Terminal Newsstand and Book Store;
North Terminal Candy Shop;
Cocktail Lounge, Pier F;
North Terminal Jewelry Cart.

Mr. Heath said the Design Review Board had approved the designs submitted.

Commissioner Kadish asked if the architectural consultant, Howard Friedman, had sat in on the review process. She asked that the matter be put over. Commissioner Kadish requested a letter from Mr. Friedman with his approval and comments.

Commissioner Coblentz asked who was on the Review Board and said he trusted their judgment, particularly Mr. Yuen's.

* * *

The following resolutions were unanimously approved:

(14) Temporary Display of the Awards of the Bay Area Sports Hall of Fame

No. 80-0083 — Resolution allowing the San Francisco Chamber of Commerce to temporarily display the awards of the Bay Area Sports Hall of Fame in the North Terminal, until a permanent home is found.

9. Consent Calendar of Routine Administrative Matters

(15) Personal Services Contract - Bruce Perez.

No. 80-0084 — Liquidation of remaining funds in contract to proper Airport account.

(16) Resoluton Accepting the Work Done Under Contract No. 977, Expansion of Electrical Distribution System - Phase I.

No. 80-0085 — Resolution accepting the work under Airport Contract No. 977, Expansion of Electrical Distribution System - Phase I, as completed by Homer J. Olsen, Inc.; and approving payment in the amount of $36,978.75 in favor of the Contractor, Homer J. Olsen, Inc., 2726 Lynch Way, P. O. Box 993, Union City, California 94587.

Orig. amt. of contract	$3,897,000.00
Modifications Nos. 1-11 (Debit)	293,026.62
Final contract amount	$4,190,026.62
Orig. contract time	556 Cal. days
Total extension of time: (incl. this resol.)	383 cal. days
Total contract time	939 cal. days
Orig. completion date	Nov. 12, 1978
Modified completion date	Nov. 30, 1979

(17) Completion of Airport Contract No. 1256A, Island Extension at Upper Roadway, North Terminal.

No. 80-0086 — Resolution accepting the work under Airport Contract No. 1256A, Island Extension at Upper Roadway, North Terminal, as satisfactorily completed and approving final payment in the amount of $11,888.00 in favor of the contractor, Valentine Corporation, 111 Pelican Way, San Rafael, CA 94901.

Orig. amt. of contract	$11,888.00
Final amt. of contract	$11,888.00
Performance time:	
Original	30 Cal days
Actual	18 Cal days
Effective date	Feb 11, 1980
Original compl. date	March 11, 1980
Actual compl. date	Feb 28, 1980

(18) Rental Credit to ABC Cigar Company for Construction of Storage Space in North Terminal.

No. 80-0087 — Resolution rescinding rental credit not to exceed $10,000 and authorizing rental credit not to exceed $27,390 for construction of corridor outside ABC's leased area. Increase in credit requested because bids came in substantially higher than estimated cost. Rental potential created by construction of corridor justifies higher capital outlay.

(19) Tenant Improvements:
Shell Oil Company, Bulk Fuel Plant Conversion to 12KV Electrical Service, $50,000.

United Airlines, Maintenance Operations Center, Reroof Building 15, $95,000.

Dobbs Houses, Inc., South Concourse; Remodel Storage Space, $25,000.

Resolution approving the final plans and specifications by Shell Oil Company showing electrical work necessary to convert their electrical supply from the 4KV system to the Airport's new 12KV distribution system. The work will be done at Shell's own and sole expense and without rental credit at the estimated cost of $50,000.

United Airlines drawings show the re-roofing of Building 15 at the Maintenance Operations Center. The work will be done by United at its own and sole expense and without rental credit at an estimated cost of $95,000.

The drawings submitted by Dobbs Houses show revisions to the storage space at the lower level of the South Concourse formerly occupied by ABC Cigar Company to provide office and storage space for Dobb's recently acquired concessions in the Central Terminal and South Terminal and also to provide a small storage room for Duty Free Shoppers. The work will be done by Dobbs Houses, Inc. at their own and sole expense and without rental credit. The estimated cost is $25,000.

Mr. Craven called attention to the fact that Item (19), the National Airlines, Boarding Area E, Aviation Hydrant Fueling System, $200,000 would be deleted due to the Pan Am/National merger, so the resolution, if passed, would be amended accordingly.

Commissioner Goosby said he understood the folk art booth was held in abeyance but said he had been asked by an artist who would like to hang his work at the Airport if the Airport had a policy on art work.

Mr. Heath asked Commissioner Goosby to have the inquiring artist write to him and he would forward the letter to Elsa Cameron, the Airport's art consultant, for review.

* * *

10. Consent Calendar of Contract Modifications

The following resolution was adopted 4 ayes (Coblentz, Kadish, Goosby and Fleishell) to 1 nay (Bernstein):

(20) Airport Contract No. 1000, Modification No. 74 (Debit), Garage: Stage IV - Superstructure Addition, $23,470.00.

No. 80-0089 — Resolution approving and requesting the Controller's certification of Debit Modification No. 74 to Airport Contract No. 1000, in the total debit amount of $23,470.00.

* * *

11. Trailing Calendar

No comment was made regarding the item on the Trailing Calendar.

* * *

12. Adjournment

There being no further business before the public meeting of the Commission, the meeting was adjourned at 4:16 p.m., to go into Executive Session

* * *

Eric Craven
Commission Secretary

SAN FRANCISCO AIRPORTS COMMISSION

MINUTES

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Tuesday, April 15, 1980

DIANNE FEINSTEIN, MAYOR

COMMISSIONERS

MORRIS BERNSTEIN
President
WILLIAM K. COBLENTZ
Vice-President
RUTH S. KADISH
DR. Z.L. GOOSBY
J. EDWARD FLEISHELL

RICHARD R. HEATH
Director of Airports

San Francisco International Airport
San Francisco, California 94128

MINUTES
OF THE
AIRPORTS COMMISSION
MEETING

Tuesday, April 15, 1980

1. Call to Order:

The regular meeting of the Airports Commission was called to order at 2:00 p.m., in Room 282, City Hall, San Francisco.

* * *

2. Roll Call:

Present:	Commissioners Morris Bernstein, William K. Coblentz*, Ruth S. Kadish, J. Edward Fleishell.
Absent:	Commissioner Z.L. Goosby

* * *

3. Pledge of Allegiance: Led by Commissioner Fleishell.

* * *

4. Adoption of Minutes:

The following resolution was unanimously adopted:

No. 80-0090	Resolution adopting the Minutes of the Airports Commission meeting of April 1, 1980.

* * *

*Commissioner Coblentz joined the meeting at 2:02 p.m.

Director's Reports

(1) Items Brought Up at Commission Meetings After Appearing on Trailing Calendar.

Mr. Richard Heath, Director of Airports, briefly explained that the Revised Interim Noise Policy had been dropped because the FAA had not yet produced new regulations. In regard to concessions, the Human Rights Commission had not yet formally adopted a policy. The information on housekeeping in ticket lines had previously been sent to the Commission, but the file copy had been misplaced.

* * *

(2) Progress Report on Schematic Design Study, Public Reading Lounge & Kiosk, North Terminal.

Mr. Heath said plans to have a public lounge area were in progress for the long concourse area of the North Terminal, although Host had encountered problems in the plan to serve drinks, due to Alcoholic Beverage Control regulations.

Mr. Miles Stevens of the architectural firm of Stevens-Haag & Associates, presented plans and drawings for the area of the reading room and lounge.

Commissioner Kadish asked that architectural consultant Howard Friedman be asked to review the plans and make suggestions for a casual, comfortable atmosphere.

* * *

(3) Publicity of Airport Achievements

Mr. Heath said that the proper results would be obtained when the Bureau of Community Affairs was finally in operation.

Commissioner Kadish asked that this item be put on the Trailing Calendar for regular reporting.

* * *

Items Initiated by Commissioners

(4) The following resolution was unanimously adopted:

No. 80 0091 — Resolution supporting an Affirmative Action Program for Minority and Women-owned Businesses at the Airport, requesting a formal City Attorney's opinion regarding certain Charter provisions and, if necessary, the drafting of a Charter Amendment.

* * *

Agenda Items Involving Airport Policies or Major Operational Decisions.

The following resolution was placed before the Commission for discussion; subsequently, further consideration was postponed to a future meeting:

(5) Contract No. 988 - Remodeling of Engineering Building, Approval of Schematic Plans, Revised Construction Budget and Amendment No. 2 to Robert B. Wong, Architect, Professional Services Agreement.

Resolution approving schematic design plans, a revised construction budget, and Amendment No. 2 to Robert B. Wong, Architect, professional services agreement and authorizing consultant to proceed with the preliminary design, construction documents and construction phases for Contract No. 988, Remodeling of Engineering Building.

Mr. Heath asked that this item be taken off calendar, as Howard Friedman had reviewed the contract and indicated lower fees would be appropriate; also, Mr. Heath said he would like Mr. Friedman's opinion on the preliminary plans.

Commissioner Fleishell questioned the increase in cost in the project, and said he had not been aware it was opposed by the airlines.

* * *

The following resolution was unanimously adopted:

(6) Award of Airport Contract No. 1233, Overlay and Reconstruction, Runway 10R-28L, Intersections and Taxiway "J".

No. 80-0092 — Resolution rejecting all bids received on Airport Contract No. 1233.

Mr. Heath said he thought it would be in the best interests of the City to reject all bids, in view of the delays already incurred and the request by the airlines to hold this project over until after the busy summer season to avert an increased cost in their operation of three million dollars.

Mr. William McInerney, attorney for Piombo Corporation, objected to the rejection, on the basis of costs incurred to contractors who bid and the fact that the Human Rights Commission had originally caused the delay.

Commissioners Coblentz and Kadish both spoke, saying while they did not wish to create undue hardships for the contractor, it was important that hardships not be created for the airlines or the traveling public.

Commissioner Fleishell asked that staff investigate the possibility of working at night. Mr. Heath said it was his understanding certain asphalt work had to be done at certain times, but he would ask staff to make a full report.

* * *

The following resolution was unanimously adopted:

(7) Amendment: Section 1.4.8, Airport Rules and Regulations.

No. 80-0093 — Resolution amending the language of Section 1.4.8, of the Airport Rules and Regulations as requested by the Traffic Referee, while retaining the intent of the Section.

* * *

The following resolutions were unanimously adopted:

(8) Revisions in Parking Rates and Fees and Discontinuance of Valet Parking Operations.

No. 80-0094
No. 80-0095
No. 80-0096
No. 80-0097 — Resolutions recommending revisions in public parking rates for economy parking lot and garage, resolution recommending revision in parking fees for tenant employee parking and resolution recommending discontinuance of valet parking oepration.

Mr. Heath briefly explained these items, and recommended that the former resolution which decreased the first hour's parking in the garage to 25 cents be rescinded, as an analysis indicated it would not change the parking patterns but would affect revenues.

Mr. Herbert S. Friedman of Ground Services, Inc., ARA, and representing several service organizations on the Airport, spoke in opposition to increases in employee parking rates, saying it would work a hardship on employees who make only the minimum wage, and that public transportation to the Airport was impossible for many employees.

Commissioner Fleishell asked about charging for the shuttle bus, and Mr. Heath explained staff was investigating that possibility at the contract expiration. Commissioner Fleishell also asked that staff take all necessary steps to improve public transportation to the Airport. Mr. Heath said he would make a report.

* * *

The following resolution was unanimously adopted:

(9) North Terminal Art Enrichment Program - $66,000.

No. 80-0098 — Resolution approving actions recommended by the Joint Committee for the Airport Art Enrichment Program and instructing the Controller to transfer sums in the amount indicated from the Airport's account to the holding fund account in order to allow appropriate contracts to be negotiated and certified. Above actions are to be taken only if the resolution is in accordance with the constraints on art expenditures ordered by the Mayor.

Commissioner Coblentz questioned this item, asking if it conformed to the wishes of the Mayor as expressed in a recent letter.

Mr. Heath said these items were approved by the Joint Committee before the letter was issued.

Commissioner Kadish stated she had been informed by the President of the Art Commission that the Mayor had excluded items previously approved.

Commissioner Fleishell asked that the Mayor be contacted in regard to this matter and said that he felt there should never have been an obligation made for the Commission prior to all approvals for such expenditures.

* * *

The following resolution was unanimously adopted:

(10) Award of Insurance Concession Service Lease

No. 80-0099 — Resolution approving award of the Insurance Concession Service Lease to Mercury International, Inc., and waiving a technical irregularity in the bid submittal.

Mr. Heath said both bidders had made the same technical defect in their bids, but Mercury was the low bidder and he recommended Mercury receive the contract.

* * *

8. Consent Calendar of Routine Administrative Matters.

The following resolutions were unanimously adopted:

(11) Approval of Claims Settlements.

No. 80-0100 — Resolution approving the action of the Director of Airports, with the approval of the City Attorney, in the settlement and compromise of claims during the months of November and December, 1979, and January, February and March, 1980, in accordance with Airports Commission Resolution No. 74-0237.

(12) Award of Contract No. 1270, Remodeling U.S. Inspection Facilities.

No. 80-0101 — Resolution awarding Contract No. 1270 to Anderson Constructors, Inc., 330 First Street, San Francisco, CA 94104, in the amount of $162,900.

(13) Modification No. 1 and Completion of Contract No. 1241, Emergency Repair of Deteriorated Areas at Taxiway "B".

No. 80-0102 — Resolution accepting the work under Airport Contract No. 1241, Emergency Repair of Deteriorated Areas at Taxiway 'B', as satisfactorily completed; approving and requesting the Controller's certification of Credit Modification No. 1 in the amount of $47,658.95 in favor of the contractor, Adhesive Engineering Company, 1411 Industrial Road, San Carlos, CA 94070.

(14) Completion of Airport Contract No. 1256B, Railing Cap Addition, Upper Roadway, North Terminal.

No. 80-0103

Resolution accepting the work under Airport Contract No. 1256B, Railing Cap Addition, Upper Roadway, North Terminal, as satisfactorily completed; extending the completion date from January 15, 1980 to March 4, 1989; and approving final payment in the amount of $16,350.00 in favor of the contractor, Erbentraut & Summers, General Contractors, 696 Pennsylvania Avenue, San Francisco, California 94107.

(15) Resolution approving final payment of Professional Services Agreement between Booz, Allen, and Hamilton and the City and County of San Francisco.

No. 80-0104

Resolution approving final payment of professional services agreement between Booz, Allen, and Hamilton and the City and County of San Francisco.

(16) Tenant Improvement: Final Approval,

T-2315: Host International, Plot 11, Employee Parking Lot Improvements, $79,000.

T-2325: Contos and Salmeri, Package Crab Sales Facility in North Terminal, $40,000.

T-2333: San Francisco Eyeglass Company, Sunglass Kiosk in North Terminal, $10,000.

T-2356: Delta Airlines, Modifications to In-bound Baggage Handling System, Central Terminal, $50,000.

T-2366: Host International, Pier F, Cocktail Lounge, $98,000.

T-2372: United Airlines Maintenance Operations Center, Building 84. Structural Modifications for Crane Installation, $50,000.

T-2376: U.S. Postal Service, North Terminal Branch Office, $200,000.

No. 80-0105

Resolution approving the final plans and specifications submitted by various Airport tenants showing improvements which they propose to make within their respective premises at the Airport.

All work for these projects will be done by the tenants at their own and sole expense and without rental credit.

Commissioner Kadish questioned Item (12), Award of Contract No. 1270, asking about Human Rights Commission approval.

Mr. Heath said HRC was not involved, as the bid was less than $250,000.

Commissioner Kadish said the Airport had its own policies and suggested that the personnel attached to Airport staff could review such awards.

Commissioner Coblentz questioned Item (16), Tenant Improvements: Final Approval, and asked if the plans had been reviewed by Howard Friedman and Jason Yuen.

Mr. Yuen, Project Director, said he had reviewed the items in the terminals, but not outside, and had approved them as they were unique, and not mass produced "package deals".

Commissioner Kadish said she would like to delay until Mr. Friedman had reviewed the improvements, but Mr. Bob Lee, Deputy Director, said that Mr. Friedman, although invited, had never appeared at meetings to review these plans.

Commissioner Coblentz said he was satisfied with Mr. Yuen's approval and called for the question.

* * *

9. Consent Calendar of Contract Modifications

The following resolutions were adopted 3 ayes (Coblentz, Kadish and Fleishell) to 1 nay (Bernstein):

(17) Airport Contract No. 936, Modification No. 3 (Debit), Industrial Waste Treatment Plant, $25,800.

No. 80-0106 — Resolution approving and requesting the Controller's certification of Debit Modification No. 3 in the amount of $25,800.00. The contractor for this work is Piombo Corporation.

(18) Airport Contract No. 1000, Modification No. 75 (Debit), Garage: Stage IV - Superstructure Addition, $24,958.

No. 80-0107 — Resolution approving and requesting the Controller's certification of Debit Modification No. 75 to Airport Contract 1000, in the total debit amount of $24,958.00.

* * *

10. Trailing Calendar of Old Business.

No comment was made regarding the items on the Trailing Calendar.

* * *

11. Adjournment.

There being no further business before the Commission, the meeting was adjourned at 3:00 p.m.

Warren D. Hanson
Acting Secretary

Eric Craven
Commission Secretary

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MINUTES

Tuesday, May 6, 1980

DIANNE FEINSTEIN, MAYOR

COMMISSIONERS

MORRIS BERNSTEIN
President
WILLIAM K. COBLENTZ
Vice-President
RUTH S. KADISH
DR. Z.L. GOOSBY
J. EDWARD FLEISHELL

RICHARD R. HEATH
Director of Airports

San Francisco International Airport
San Francisco, California 94128

MINUTES
OF THE
AIRPORTS COMMISSION
MEETING AND
PUBLIC HEARING

Tuesday, May 6, 1980

1. Call to Order:

The regular meeting of the Airports Commission meeting and the public hearing was called to order at 2:00 p.m., in Room 282, City Hall, San Francisco.

* * *

2. Roll Call:

Present: Commissioners Morris Bernstein, Williams K. Coblentz*, Z.L. Goosby, J. Edward Fleishell.

Absent: Commissioner Ruth S. Kadish.

* * *

3. Pledge of Allegiance: Led by Commissioner Goosby.

* * *

4. Adoption of Minutes:

The following resolution was unanimously adopted:

No. 80-0108 Resolution adopting the Minutes of the Airports Commission meeting of April 15, 1980.

* * *

*Commissioner Coblentz joined the meeting at 2:12 p.m.

Special Item:

(1) General Aviation

The following resolution was unanimously adopted:

No. 80-0109 — Resolution adopting surcharge to the Outdoor Aircraft Storage Rates and Charges.

Richard Heath, Director of Airports, gave a brief history of general aviation rates and charges and the reasons for requesting the increases.

Mr. Michael Maher, representing a group of commuting Airline Pilots, spoke against the increased charges and read a statement, copy of which is on file with the Secretary of the Commission. Mr. Maher expressed a major concern, that general aviation might be barred from SFO.

Mr. Heath told the meeting that no one could give assurance that such a ban would not occur, that was a Congressional matter.

Mr. Joe Crotti, representing the Aircraft Pilots and Owners Association, spoke against the resolution, stating his organization felt they had already paid their share of expenses, Mr. Crotti also asked that the Commission reconsider the fees in regard to the small air taxis which carry a very few passengers and which the additional charges would hurt.

Commissioner Fleishell asked how the fees would be collected, and was assured by Mr. Heath that Butler Aviation had agreed to do the collecting.

Mr. Roy Samuels, Assistant Deputy Director for Operations, told the meeting that Butler planned to hire additional personnel and explained how the planes that did not check in could be traced through the plane numbers and billed.

* * *

Director's Reports

(2) FIRM Monthly Progress Report

Mr. Heath explained the implementation plans were proceeding smoothly, but there was difficulty in recruitment and the filling of requisitions.

* * *

(3) Passenger Survey Results.

Mr. Heath said the survey showed the major complaints of passengers were the garage, the food service and the baggage handling.

* * *

(4) Status Report on Installation of New Concessions.

Mr. Heath gave a brief report on the new concessions, rental due dates, and reasons for the extension of the start of rent payments in some instances, and explained the billing procedures in regard to the annual guarantees from the concessions.

* * *

7. Items Initiated by Commissioners.

The following resolution was unanimously adopted, as amended:

(5) Discussion of valet parking requested by Commissioner Bernstein.

No. 80-0110 — Resolution rescinding Resolution No. 80-0097 and instructing the Director of Airports to maintain the present Valet Parking operation in place until further order of this Commission.

Mr. Heath gave a brief background on valet parking and emphasized that the accounting figures being utilized may not give a true picture of the revenues and costs of the service. Mr. Heath explained the possibilities for a new Special Services concession, either to go out to bid or be incorporated into the garage management contract, which might include valet parking, baggage handling, paid courtyard parking and other services deemed to be in demand.

Commissioner Coblentz said he would agree to continuation of the valet parking service but if there was a loss, he would oppose any further continuation of the service.

Mr. Robert Blitz, a frequent user of the Airport, spoke in favor of retention of valet parking. Mr. Blitz suggested that patronage of this service would be increased by advertising and a good signing program.

Mr. Rogers M. Staehlin was also present, in defense of valet parking service.

Commissioner Coblentz agreed that the way to break even was to increase the fees and to stimulate business. Mr. Heath also agreed that Mr. Blitz' remarks were valid and there was an inadequate signing program.

* * *

. Agenda Items Involving Airport Policies or Major Operational Decisions.

The following item was taken off calendar.

(6) Tenant Improvement: Paradies Flower Shops, North Terminal Shop and Carts.

Resolution approving preliminary schematics and renderings submitted by Paradies Flower Shops showing their proposed shop and flower carts in the North Terminal complex.

* * *

The following resolution was unanimously adopted.

(7) Airport Contract 1100, Boarding Area E, Approval of Modification No. 1, Deletion of Moving Walk (Credit $98,000).

No. 80-0111 — Resolution approving Modification No. 1 to the Contract to delete the 110 foot long moving walk from Boarding Area E. Decrease amount by ($98,000 credit) to $12,606,330.

Mr. Heath explained that Host and Delta would object to the planned moving walk as it bypassed them and a short walk at the end of the area would be too expensive. However, if it was later decided to install the walk, the construction was such that it could be easily done.

* * *

The following resolution was unanimously adopted:

(8) Resolution amending the Rules and Regulations.

No. 80-0112 — Resolution amending paragraph 6 of Subsection (N) of Section 1.3.7 of the Rules and Regulations, to add subparagraph (c) to prohibit exhibit on, display or distribution of obscene material.

Commissioner Goosby asked who would decide what material was obscene.

Mr. Donald Garibaldi, Airports General Counsel, explained the decision would be based on the criteria currently used in the Courts, and if there was a violation, according to the most recent interpretation, the permit could be revoked, in which case the permittee could demand a hearing and the Airport would have to go to court within five days for an official determination.

It was decided that the Director would make the decision as to whether material being shown was undesirable and ask that it be withdrawn.

* * *

The following resolution was approved by the following vote: 3 ayes, (Commissioners Bernstein, Coblentz, Goosby) to 1 nay (Commissioner Fleishell:

(9) Authorization for Concept of Entertainment Center/Game Room at San Francisco International Airport.

No. 80-0113 Resolution approving the concept of an entertainment center/game room at San Francisco International Airport.

Mr. Heath said staff thought the empty space in the central terminal, formerly a sundries shop, could be utilized on a short-term concept as an entertainment center, until the remodeling of the building takes over the area. Mr. Heath said this would give experience in this sort of concession, to determine if it would be worthwhile to have a similar concession in other areas of the terminal complex.

Commissioner Goosby and Bernstein thought it would be unfair to have a bidder invest large sums of money without a guarantee of continuation of the business for a long period of time. Commissioner Fleishell expressed his view that the manufacturer would invest the money for the operator.

Commissioner Fleishell objected to the entertainment center, citing potential police problems.

Commissioner Goosby said he thought the class of people using the Airport were different and that police problems were in opposition to the report previously furnished by Mr. Pete Singer, Deputy Director for Business and Finance, which had indicated that other airports had not encountered serious problems with similar centers. Commissioner Bernstein agreed with Commissioner Goosby, stating such businesses were now in the hands of reputable firms and were located in the finest establishments in the country.

Commissioner Coblentz said he would agree to the entertainment center solely on an experimental basis, for the sake of those travelers who needed to be entertained, but it would be unfair to say there would be an extension or to guarantee other concession sites.

* * *

The following resolution was unanimously adopted:

(10) North Terminal Cleaning Service Contract, Modification No. 1, $225,000.00.

No. 80-0114 — Resolution approving Modification No. 1 extending the completion date on a month to month basis, with no change in the present contract provisions.

* * *

Consent Calendar of Routine Administrative Matters.

The following resolutions were unanimously adopted:

(11) Amendment No. 2, Professional Services Agreement, Consoer, Townsend & Associates, Industrial Waste Treatment Plant, $70,100.

No. 80-0115 — Resolution approving Amendment No. 2 to the Professional Engineering Services Agreement with Consoer, Townsend & Associates and authorizing consultants to continue with additional Phase III - Construction Review and Advice work, and to proceed with Phase IV - Operations Manual and Start-Up on the Industrial Waste Treatment Plant project.

(12) Bid Call - Airport Contract No. 1179, Improvements to Sewage Pumping Station No. 3.

No. 80-0116 — Resolution approving final plans and specifications and authorizing the Director of Airports to call for bids, Contract No. 1179, Improvements to Sewage Pumping Station No. 3.

(13) Bid Call for Airport Contract No. 1208, Boarding Area E Apron.

No. 80-0117 — Resolution approving scope, budget and schedule, and authorizing Director of Airports to call for bids for Contract No. 1208, Boarding Area E Apron.

(4) REMOVED FROM CALENDAR.

(15) Modification No. 1 and Completion of Airport Contract No. 1290A, Emergency Temporary Repairs to Sewer Line.

No. 80-0118 — Resolution accepting the work under Airport Contract No. 1290A, Emergency Temporary Repairs to Sewer Line, as satisfactorily completed; approving and requesting the Controller's certification of Credit Modification No. 1 in the amount of $256.57; and approving final payment in the amount of $15,243.43 in favor of the contractor, MGM Construction Company, P. O. Box 5757, Concord, CA 94524.

(16) Completion of Airport Contract No. 1290B, Emergency Permanent Repairs to Sewer Line.

No. 80-0119 — Resolution accepting the work under Airport Contract No. 1290B, Emergency Permanent Repairs to Sewer Line, as satisfactorily completed and approving final payment in the amount of $34,500.00 in favor of the contractor, Homer J. Olsen, Inc., 2726 Lynch Way, P. O. Box 993, Union City, CA 94587.

(17) UNITED AIRLINES MAINTENANCE OPERATIONS CENTER, MEZZANINE FOR AIRCRAFT PARTS STORAGE, BUILDING 84, $819,000.

AVIS/NATIONAL CAR RENTAL OFFICES IN NORTH TERMINAL, $48,000.

PACIFIC SOUTHWEST AIRLINES, OFFICE ADDITIONS IN SUPERBAY HANGAR, $95,000.

No. 80-01 — Resolution approving the final plans and specifications submitted by various Airport Tenants showing tenant improvements.

* * *

The following resolution was taken off calendar.

(18) Tenant Improvements: Pan American World Airways, Relocation of National Airlines to South Terminal from North Terminal and related projects.

Resolution approving preliminary plans and specifications submitted by Pan American World Airways for eight separate projects required to effect the consolidation of Pan American World Airways' and National Airlines' terminal facilities at the South Terminal following the recent merger of the two companies.

* * *

The following resolutions were unanimously adopted:

(19) Shoeshine Stand Lease Extension.

No. 80-0121 — Resolution recommending the extension of the lease to operate shoeshine stands in the North Terminal.

(20) Shoeshine Stand Lease Extension.

No. 80-0122 — Resolution recommending extension of current lease for operation of sheshine stand in Central Terminal.

(21) Shoeshine Stand Lease Extension.

No. 80-0123 — Resolution recommending extension of current lease for operation of shoeshine stand in South Terminal.

(22) Airport Contract No. 1248, Modification No. 1, Emergency Airfield Pavement Repairs, FY 1979-80, Extension of Time.

No. 80-0124 — Resolution approving Modification No. 1, extending the completion date 92 calendar days from June 30, 1980 to September 30, 1980 at no additional cost to the City. The contractor for this work is Lowrie Paving Company, Inc.

Commissioner Goosby questioned Item (17) and asked why Avis and National were getting office space in the North Terminal, and not the other four rental car companies.

Mr. Singer said there was space available if the other four wanted it.

Commissioner Goosby asked the policy on rental credit. Mr. Heath told the Commission that they would not be brought any rental credits which would limit the future flexibility of the terminals.

Commissioner Goosby questioned the extension of the shoeshine leases and asked if the disparity in the leases, the difference of 45% in the North and South Terminals and 20% in the Central Terminal was a factor.

Mr. Heath explained that all three were paying a bid minimum guarantee, none was making enough money to pay in excess of the minimum, and that the percentage was based on the amount of business in each terminal.

Commissioner Fleishell questioned moving ahead on the United and PSA matters until the litigation was resolved.

* * *

10. Consent Calendar of Contract Modifications.

The following resolution was adopted by the following vote: 3 ayes, (Commissioners Coblentz, Goosby, Fleishell) to 1 nay, (Commissioner Bernstein)

(23) Modification No. 76 (Debit, Airport Contract No. 1000, Garage: Stage IV - Superstructure Addition, $19,792.00.

No. 80-0125 — Resolution approving and requesting the Controller's certification of Debit Modification No. 76 to Airport Contract No. 1000, in the total debit amount of $19,792.00.

* * *

11. Trailing Calendar.

There was no discussion of items on the Trailing Calendar.

Commissioner Goosby asked that an item be put on, calling for a legal review of Airport responsibilities under the new Department of Transportation, FAA Regulations, which went into effect March 1, 1980, and the use of federal funds.

Mr. Heath assured the Commissioner that such a review was already under way and it was planned to have a report by the May 20 meeting.

Commissioner Goosby asked that the problem of baggage handling also be put on the Trailing Calendar.

* * *

12. Adjournment.

There being no further business, the meeting was adjourned at 3:20 p.m.

Warren D. Hanson
Public Relations Manager
Acting Secretary of the
Airports Commission

SAN FRANCISCO AIRPORTS COMMISSION

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MINUTES

SPECIAL MEETING

Thursday, May 15, 1980

DIANNE FEINSTEIN, MAYOR

COMMISSIONERS

MORRIS BERNSTEIN
President
WILLIAM K. COBLENTZ
Vice-President
RUTH S. KADISH
DR. Z.L. GOOSBY
J. EDWARD FLEISHELL

RICHARD R. HEATH

Director of Airports

San Francisco International Airport

San Francisco, California 94128

SPECIAL MEETING
OF THE
AIRPORTS COMMISSION

May 15, 1980

1. Call to Order:

The Special Meeting of the Airports Commission was called to order at 8:30 a.m., in the Board Room of the Retirement Offices, 770 Golden Gate Avenue, San Francisco, California.

* * *

2. Roll Call:

Present:	Commissioners Morris Bernstein, William K. Coblentz, Z. L. Goosby*, J. Edward Fleishell.
Absent:	Commissioner Ruth S. Kadish

* * *

3. Agenda Item Involving Airport Policies or Major Operational Decisions.

The following resolution was uanimously approved:

No. 80-0126	Resolution approving the budget estimates for the Fiscal Year 1980-81 as submitted by the Director of Airports in his memorandum of January 30, 1980, as supplemented by his memorandum of May 13, 1980, in the revised amount of $109,109,000., has been amended by the Mayor.

Richard Heath, Director of Airports, told the Commission that the matters raised by the airlines should be considered. A letter submitted by the Airlines is incorporated by reference and is on file with the Secretary to the Airports Commission.

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*Commissioner Goosby joined the meeting at 8:35 a.m.

Mr. Heath said the Airlines had objected to a proposed budgetary item of $280,000 for the revolving exhibition art program, but that item had been deleted from the budget by the Mayor. Mr. Heath suggested an alternate proposal, whereby the Fine Arts Museum would pay the salary of the consultant, Elsa Cameron, and be reimbursed by the Airport for her services.

Mr. Heath explained that if Ms. Cameron were able to obtain some grants or establish a commercial operation, a supplemental would be requested. This suggested method would provide the Airport several things, such as management of the art acquisitions and for the art which will, by law, be acquired in the future.

Commissioner Coblentz said he felt that would be an indirect way of doing what the Airport had been told not to do.

Commissioner Fleishell also objected, saying he didn't want any pressure on the Mayor and he would oppose any steps in that direction.

Commissioner Goosby suggested Ms. Cameron attempt to get the grants on her own; if successful, the Airport could become the funding agency.

Commissioner Bernstein said he would like to talk to the Mayor, point out the desirable features of retaining Ms. Cameron, and see if the Mayor would agree to reinstate the funds.

Commissioner Fleishell asked the record to reflect that he was opposed to asking the Mayor to change a decision she had made only two days previously.

Mr. Heath said the airlines had also objected to the proposed $86,000 for promotion, but that amount had been reduced to $20,000. The Commissioners agreed this amount should be left in, despite objections. The same applied to the service of other departments.

There was discussion regarding the expense projections based on the cost per enplaned passenger basis. It was decided to use these figures as a management tool in achieving certain goals. Mr. Heath agreed with the airlines' recommendation that the expenditure goal for 80/81 should be no higher, on a constant dollar cost per enplaned passenger, than the 79/80 budget. He will hold expenditures to that level and not permit them to go above that level without Commission approval. The Commission indicated its approval of that commitment. A specific dollar figure will be developed based upon the most current passenger data and on the December 31, 1979 CPI.

There was some discussion as to the most accurate way of setting revenue projections, whether to use the figures, as done historically, gained by using the guarantees of the concessions, or to use a best educated guess as to what the revenues would be. It was decided that the budgeting should be based on the guarantees and additional revenue would be "the cushion".

Commissioner Goosby said the measure to be on the June ballot, whereby up to 25 percent of concession revenues could go to the City, should be taken into consideration. Mr. Heath said that, if necessary, landing fees would be raised to cover this amount.

Mr. Heath said the airlines had suggested a cut in the amount in the emergency repair fund, but Mr. Heath said he would not recommend such a cut, as the additional funds would provide necessary flexibility.

Mr. Heath stated that the other items contained in the Airlines' letter dealt with the ongoing lawsuit and could not be resolved without resolution of the suit.

Commissioner Fleishell said that in view of the outside auto maintenance figures and the fact that the Mayor had denied any new automobiles, that staff consider carpooling, rather than specific assignment of cars.

Mr. Heath said that the Mayor had specifically asked that the Commission again examine the Capital Projects and determine if all should remain in the budget, and it was decided to leave the projects at that level for various reasons.

The Commission approved the budget as submitted and indicated its agreement with the Mayor's proposed reductions.

4. Adjournment:

There being no further business before the Special Meeting of the Airports Commission, the meeting was adjourned at 9:05 a.m.

Warren D. Hanson

Warren D. Hanson
Public Relations Manager
Acting Secretary
Airports Commission

SAN FRANCISCO AIRPORTS COMMISSION

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MINUTES

Tuesday, June 3, 1980

DIANNE FEINSTEIN, MAYOR

COMMISSIONERS

MORRIS BERNSTEIN
President
WILLIAM K. COBLENTZ
Vice-President
RUTH S. KADISH
DR. Z.L. GOOSBY
J. EDWARD FLEISHELL

RICHARD R. HEATH
Director of Airports

San Francisco International Airport
San Francisco, California 94128

MINUTES
OF THE
AIRPORTS COMMISSION
MEETING

Tuesday, June 3, 1980

1. Call to Order:

The regular meeting of the Airports Commission was called to order at 2:00 p.m., in Room 282, City Hall, San Francisco.

* * *

2. Roll Call:

Present:	Commissioners Morris Bernstein, William K. Coblentz*, Z. L. Goosby, Ruth S. Kadish, J. Edward Fleishell.
Absent:	None

* * *

3. Pledge of Allegiance: Led by Commissioner Kadish.

* * *

4. Adoption of Minutes:

The following resolutions were unanimously adopted:

No. 80-0127 No. 80-0128	Resolutions adopting the Minutes of the Airports Commission meeting of May 6, 1980 and the Special Meeting of the Airports Commission of May 15, 1980.

* * *

*Commissioner Coblentz joined the meeting at 2:02 p.m.

5. Director's Reports

(1) Airport Pavements

Mr. Heath gave a verbal report on the runway and taxiway pavements, explaining the types used, the scheduling of construction, and why it was done in this manner.

Commissioner Kadish commented that San Francisco International has a greater problem than most airports because of the fill land on which it was built.

* * *

(2) Ground Transportation Improvement Program

Mr. Heath gave an update on this program and said that he has been able to put together staff to deal with this problem. He said that various aspects of the program are included in his memorandum.

Commissioner Goosby questioned the procedures for approving the ground transportation program. He felt the Commission should review the report and approve it prior to its implementation.

Mr. Heath stated that these items are being brought to the Commission for information purposes. He explained why the task force started and how it has progressed. He said it was his intention that staff come back to the Commission with a Ground Transportation Plan.

Commissioner Kadish recalled there were several task forces begun at the same time and she thought that they were all abandoned. She said that she was unaware that the ground services task force was still in existence but was glad that it is. It was Commissioner Kadish's suggestion that there be adequate discussion before the resolution comes before the Commission and requested this discussion be agendized for the next meeting.

Commissioner Fleishell said he does not understand why it takes so long to prepare a sign for taxi regulations.

Mr. Heath said he would schedule the matter for the next meeting, adding that Item 5 would be included.

* * *

(3) Proposed Hilton Inn Expansion

Mr. Heath said this would require more information and more discussion, that it is a very complex problem.

Mr. Hansen of Hilton Inns said he was there to answer any questions.

Commissioner Goosby asked Mr. Hansen if it was his understanding that Hilton suggested new bids be made for remaining unamortized investment by 1998 if this is approved.

Mr. Hansen said that is their proposal; that the investment would exceed $17 million. He said a letter with the suggested format was sent to the Director, and as it now stands, that is their plan but they are open to any suggestions.

Commissioner Bernstein asked if that would include a copy of the renegotiated lease.

Mr. Hansen said they would continue the lease on the current terms.

Commissioner Bernstein said Hilton should submit their proposal and when Mr. Hansen said they had not received any formal response to their letter, Mr. Bernstein again told him to submit their proposal.

Commissioner Kadish brought up the probable need for an environmental impact report and requested that should the staff have any contact with Hilton, the Commission must be informed.

* * *

Ground Transportation (continued)

Commissioner Goosby said a discussion of the land West of Bayshore should be included in the Ground Transportation Program.

Mr. Heath said the Commission would be informed of the input of the community, but that this task force is different from the joint powers authority. He said that a report would be forthcoming on airline input and that he had no objection to more than one Commissioner being involved in the study.

* * *

(5) SamTrans/SFO Airporter

Mr. Heath explained the SamTrans service in San Mateo County and how this affected the Airporter service to the airport. As a result, Airporter has brought a suit against SamTrans. SamTrans has agreed to buy out Airporter, which would retain its identity. There would be a management contract between the two companies. He said the problem is that SFO has an exclusive contract with Airporter. For that right, Airporter pays SFO a percentage of every fare paid. SamTrans was not eligible to have this type of exclusivity, but suggested alternative ways of providing an equivalent amount to the airport: one being to take over the terminal shuttle bus service.

Commissioner Kadish asked whether any use prognostication had been made on the airport parking lot.

Mr. Heath said the lot fills rather frequently and quickly and that the last prognostication indicated that most of the traffic will remain about the same. He said the study was done before the rise in gas prices.

Commissioner Kadish questioned how various aspects of the merger proposal would be monitored for thoroughness, saying we have to bargain for all we can get.

Commissioner Goosby questioned whether discussion had been had with Muni as to the impact on the city in having SamTrans run that service.

Mr. Heath said that the Airport has some control over the contract but that we cannot dictate to whom they sell it.

Commissioner Goosby again questioned the impact on the City.

Mr. Heath said SamTrans would be the operator of the SFO buses; the difference is that it would be a SamTrans operation and would be eligible for various benefits.

Commissioner Fleishell said that it was not our function to deal with those negotiations, but rather to serve the public and the people of San Francisco.

Commissioner Coblentz wondered if the sellers were getting any consideration for the operating rights.

Commissioner Goosby said the lease is up in 1982 and that normally it would go out to bid at that time.

Mr. Heath said that would be true if we were putting it out on an exclusive basis. He added that the exclusivity of their service is a State PUC matter rather than part of our contract.

Mr. Don Garibaldi, Airport General Counsel, said we have given them rights to the loading zone on the Airport.

Commissioner Coblentz said he would oppose it if a substantial amount is being paid for an operating right.

Commissioner Goosby questioned a possible financial loss, and whether services would still be provided to the airport.

Mr. Heath said he didn't intend for the airport to suffer any loss.

Commissioner Kadish added it should be approved only if it is in favor of the City.

Mr. Leonoudakis of San Francisco Ariporter felt he should respond to some issues. He reminded the Commission that there would be no loss of salaries, that Airporter would continue to hire people. He said the garage facility would remain in San Francisco. He said there would be services, in kind, in exchange for revenue the airport now received. He added, according to the agreement, his company has two years to go, with another 10-year option. He also said that federal law provides that if the competitive factor is taken away from private enterprise, this entitles them to file a complaint.

Commissioner Bernstein said he would like to hear the SamTrans side.

* * *

The following resolutions were unanimously adopted:

No. 80-0129 No. 80-0130	Retirement resolutions for Claire Ball and Adeline Smith.

Mr. Heath asked for and received the Commission's approval of retirement resolutions for Claire Ball and Adeline Smith, both long-term employees of the Airport Communications Division.

* * *

Items Initiated by Commissioners

(1) Airport Commission Policy Manual

Commissioner Kadish said she would like the Commission to be informed as to the progress of the Policy Manual.

Mr. Heath said staff would give a full report on that at the next Commission meeting.

* * *

Agenda Items Involving Airport Policies or Major Operational Decisions.

The following Resolution was unanimously adopted:

(6) Contract No. 1200, Central Terminal Modernization, Approval of Preliminary Design and Amendment No. 6 to Gensler & Associates, Professional Services Agreement.

No. 80-0131	Resolution approving the Preliminary Design for Contract No. 1200, Central Terminal Modernization and authorizing the Construction Document and Bidding Phases of the Contract. It also authorizes the Director to call for bids when ready.

The architects for Gensler & Associates, gave renderings of a preliminary design on the Modernization of the Central Terminal.

Commissioner Kadish questioned the discussion of the number of stairs passengers would have to climb in the international arrivals area.

Mr. Heath assured her that elevators would also be available, to which Mrs. Kadish added her suggestion that the architects be very dilligent in their design of the stairs to ensure debarking passengers comfort.

Mr. David Lilly of San Francisco Tomorrow opposed this work as part of the continuing expansion of the airport. He felt that this was a redesign of the Central Terminal and that this is an appropriate time to request an Environmental Impact Report.

Mr. Heath said our attorneys have advised us that there are two kinds of EIR's. He said that the statement was examined and approved and that the basic consideration would not be changed by moving the international arrivals facility from one place to another. He added that any delay would increase the cost.

Commissioner Bernstein commented that there was a City Attorney's opinion on the need for an additional EIR and directed that a copy be given to Mr. Lilly.

Mr. Heath said that there is very little activity at that end of the terminal and that any and all activity created by this work would be invisible to the public.

Commissioner Bernstein said that under the charter, this has to come back to the Commission.

Mr. Bill Lawder of United Airlines asked for 2000 feet additional space for the airline's counters.

Mr. Jason Yuen, Bureau of Terminal Construction, said that the space requested is between the connector area, and if that is approved airport would expand the ticket counters.

* * *

The following resolutions were unanimously adopted:

(7) Professional Services Contract: Hugh Parry Company

No. 80-0132 — This contract not to exceed $8,000 will provide a current noise impact contour to include 65 db CNEL plus one additional contour update in the future.

Professional Services Contract: Genge Caps Company

No. 80-0133 — This contract not to exceed $54,500 to design a noise complaint control and feedback system with capability to correlate and display complaint and noise level data.

Professional Services Contract: Tracor, Inc.

No. 80-0134 — Phase I, not to exceed $187,000 will expand the capability of our current noise monitoring system from 16 to 24 monitoring sites; provide a data storage and retrieval system capable of correlating noise data with aircraft identification data when obtained.

Phase II will deal in site selection, providing equipment and installation specifications.

Phase III will consist of interpreting the noise monitoring system with an aircraft identification system.

Mr. Heath called attention to the fact that these are three separate contracts relating to the noise monitoring system, and stated what service each contract entailed.

Commissioner Kadish asked if the eleven different sites had been identified and was told that they had not been, that that would be Tracor's responsibility. She added that if they are all used immediately, it does not allow for additional sites being added as need arose.

Mr. Heath said that there were more requests than monitors.

Commissioner Goosby asked if there were local firms which handled that type of equipment, whereupon Mr. Heath answered that the original system had been installed by Tracor, and that staff feels we should use the same firm for integrity of the system.

Mr. Lawder read to the Commission comments written by Mr. Rand, who could not be present. The comments stated that too much money was being expended and voiced opposition.

Mr. Heath stated that the monitoring system would not reduce the noise but it would give us the ability to deal with it. He added that we will be involved in expanding the computer system which will give us the capability of handling additional stations. He said that installation of the monitors will be in a separate contract.

Commissioner Fleishell asked if the equipment has the capacity to trace noises to a specific aircraft. He was told that the equipment assesses the noise; that the equipment will eventually provide this type of information.

* * *

The following resolution was unanimously adopted:

(8) Amendment to Rules of Order

No. 80-0135 — Resolution amending Rules of Order of Airports Commission by adding Section 9a, relating to informational meetings, and by amending Section 16, relating to the Order of Business.

* * *

The following resolutions were put over to a future meeting:

(9) Commission of Airport Police as Peace Officers.

Resolution requesting and urging Board of Supervisors of the City and County of San Francisco to take all actions necessary to commission as "peace officers" those Airport police officers who are otherwise qualified to be "peace officers" pursuant to Section 830.4 of the California Penal Code.

(10) Amendment to the Existing Speed Limit on the Terminal Roads.

Resolution approving an amendment to the existing speed limit on the terminal roads.

Commissioner Kadish mentioned that although the traffic engineers had based their findings on a traffic engineering study, the Commission has never seen it or the background material and hence could not make a decision based on the report's considerations.

Mr. Heath said that these are standard procedures for determining speed limits in California. He then asked Mr. Louis Turpen, Deputy Director for Operations/Maintenance, to elaborate on the subject.

Mr. Turpen stated that he would secure a report for the Commission. He added that there was a problem in terms of enforcing traffic citations, that our engineers did a study, and these speeds are the result of that study.

* * *

The following resolution was unanimously adopted:

(11) Deletion of the Public Reading Lounge from the Space Allocation Plan for the North Terminal and the Space Developed as Leaseable Space.

No. 80-0136 Deletion of the public reading lounge from the space allocation plan for the North Terminal and the space developed as leaseable space.

The following resolution was unanimously adopted as amended:

(12) Illuminated Signs.

No. 80-0137 Resolution amending the language of Section 303.3(I) of the Tenant Improvement Guide and clarifies and places additional restrictions on illuminated signing for corporate identification as a result of recently imposed energy restrictions.

Mr. Heath said this is a new regulation for controlling signs.

Commissioner Kadish asked that the last paragraph be amended to read "...these criteria is requested to make necessary changes immediately in order...". The Commission concurred.

Mr. Robert Lee said that the resolution specifically states 'to make necessary changes', so we cannot do this retroactively.

* * *

The following resolutions were unanimously adopted:

(13) Entertainment Center/Game Room Concept

No. 80-0138 No. 80-0154	Determination of an appropriate course of action relative to a proposed Entertainment Center/Game Room in the Central Terminal.

Commissioner Goosby stated that item "b" presents the opportunity of trying a different approach, which was seconded by Commissioner Coblentz.

Commissioner Fleishell said he would like to have some control with someone there to rent out the spaces.

Mr. Heath said that the problem now is that part of the space has to be for airline ticket counters, that a plan has to be developed and approved by the Commission and that staff will come back to the Commission with a proposal for a developer bid.

Commissioner Goosby asked what the Commission was being asked to approve, and Mr. Heath explained what each item encompassed.

Commissioner Bernstein asked if any bids were received to date. He was told that no bids were received. He then suggested that Airport should have as one of the requirements for bidding, a background statement including financial condition, etc., of each bidder.

Mr. Bill Lawder of United Airlines suggested that one of the bid specs should be a noise containment bid.

* * *

The following resolution was unanimously adopted:

(14) Abandonment of Contract No. 1010, South Terminal West Additions, Approval of Credit Modification No. 2 and Termination of Contract.

No. 80-0139	Resolution declaring abandonment of Contract No. 1010 - South Terminal West Additions, Approval of Credit Modification No. 2 to Anshen & Allen's professional services agreement to credit the City for certified funds unexpended; and terminating the professional services agreement.

Mr. Heath was asked by Commissioner Bernstein to explain ther term "abandonment" in terms of the contracts, which he did.

* * *

The following resolution was unanimously adopted:

(15) Approval of Plan to Relocate Delta Airlines to Boarding Area "A".

No. 80-0140 — Resolution approving a plan to relocate Delta Airlines from Boarding Area "E" to Boarding Area "A" in the future, as outlined in Director's letter to American Airlines and Delta Airlines dated May 20, 1980.

Mr. Heath said that this is a refinement of the plan that the Commission previously approved. He explained the plan for moving Delta saying that they are in basic agreement with the move.

Mr. Jamison of American said that he supported the idea and commended Mr. Heath and staff. He pointed out that American is going to accept some schedule restrictions on a short-term basis with the hope that they will not have more restricted growth in the near future.

* * *

The following resolutions were unanimously adopted:

(16) Extension and Addition to Professional Services Agreement with Arthur Andersen & Co.

No. 80-0141 — Extension and addition to professional services agreement with Arthur Andersen and Company.

(17) Bid Call, Contract No. 841, Electrical Service, Airfield Drainage Pump Station 19L and 19R, $220,000.

No. 80-0142 — Resolution approving the final plans and specifications and authorizing the Director of Airports to call for bids for Airport Contract No. 841, Electrical Service, Airfield Drainage Pump Station 19L and 19R.

* * *

Agenda Item No. 18 was taken off Calendar prior to the Commission Meeting.

* * *

The following resolutions were unanimously adopted: *

(19) Bid Call, Contract No. 1258, Door Controls and Warning Lights, Trash Compactor Areas, North Terminal.

No. 80-0143 — Resolution approving the final plans and specifications and authorizing the Director of Airports to call for bids for Airport Contract No. 1258, Door Controls and Warning Lights, Trash Compactor Areas, North Terminal.

(20) Bid Call, Airport Contract No. 1321, North Terminal Cleaning Services, Fiscal Year 1980-81.

No. 80-0144 — Resolution approving terms and conditions and authorizing the Director of Airports to call for bids for Airport Contract No. 1321, North Terminal Cleaning Services, Fiscal Year 1980-81.

(21) Resolution Authorizing Director of Airports to Execute Addendum to Leases, Contracts and Other Agreements to Carry Out Civil Rights Provisions of Federal Aid Program.

No. 80-0145 — Resolution authorizing Director of Airports to execute addendum to leases, contracts and other agreements to carry out Civil Rights provisions of Federal Aid Program.

When Commissioner Coblentz questioned the increase of expeditures, Mr. Heath said that the fault lies with the PUC computer, which broke down several times during the period.

On Item 20, Commissioner Goosby had some question on why that should affect the cleaning contract since the only change was in general conditions.

Mr. Peter Singer, Deputy Director, explained that this is the end of the contract and that it would now go out for bid, but in order to provide continuity of the Bekins agreement, there is an extension of the present contract on a month-to-month basis.

Mr. Heath said that we have previously approved the extension, that thereis no option so it has to be rebid. He said it does not change the staff. The language that has been changed relates to the payroll of the contract.

Commissioner Goosby said that he felt it is important to point out that since we are calling for a bid, those people who bid previously would be able to rebid. He said there is a great number of people interested in this bid.

Mr. Singer understood additional firms have also indicated interest.

*Commissioner Kadish left the meeting at this point.

On Item No. 21, Mr. Bill Lawder asked what has to be changed and if there will be the opportunity to see it.

Mr. Heath said that would be provided.

Commissioner Goosby asked Mr. Garibaldi if he plans to have a workshop.

Mr. Heath said that there was a 3-page item on the agenda which outlined the program.

* * *

The following resolutions were unanimously adopted: *

(22) Tenant Improvement: United Airlines Maintenance Operations Center: Water Tower for Building 15 Hydraulic System, $75,000.

No. 80-0146 — Resolution approving the final plans and specifications submitted by United Airlines showing the installation of a water cooling tower on Building 15 at the Maintenance Operations Center as a part of the hydraulic system for Building 15. The work will be done by United Airlines at its own and sole expense and without rental credit at an estimated cost of $75,000.

(23) Tenant Improvement: Paradies Flower Shops, North Terminal Shop and Carts, $70,000.

No. 80-0147 — Resolution approving project concepts and renderings submitted by Paradies Flower Shops, showing their proposed shop and flower carts in the North Terminal Complex and authorizing them to proceed with final plans and specifications subject to technical review by staff for compliance with Tenant Improvement Guide.

(24) Tenant Improvements: ABC Cigar Company, North Terminal Candy Shop, Airport No. T-2365; $25,000 estimated cost.

No. 80-0148 — Resolution approving the final plans and specifications submitted by ABC Cigar Company showing their North Terminal Candy Shop, and by Pacific Northwest Airlines showing additional offices to be constructed within their sublease space at the American Airlines' Superbay Hangar.

Commissioner Kadish asked that in the future there be included either a letter of approval or comments from Mr. Friedman, the Airport's architectural consultant, so that the Commission is made aware of the current status of each item.

Commissioner Coblentz said that he would rely on the word of Mr. Yuen of the Bureau of Terminal Construction.

* * *

*Commissioner Kadish returned at this point.

The following resolutions were unanimously adopted:

(25) Approval of Professional Services Agreement for North Terminal Plant Maintenance.

No. 80-0149 — This resolution and agreement provides for the continuation of the professional services of Interior Landscape Design for the maintenance of interior plants in the North Terminal.

(26) Approval of Professional Service Agreement for Interior Landscaping of South and Central Terminals.

No. 80-0150 — This resolution and agreement provides for the continuation of the professional services agreement with Dieter C. Rapp for interior landscaping of the South and Central Terminals.

Regarding Item No. 26, Commissioner Goosby said this is a professional services agreement and why are we not going out to bid on it.

Mr. Heath said that this is essentially the same as other professional service agreements, except that it is maintenance, security and replacement of plants; that these people are professionals and we would not be able to get the best type of service if we went out to bid.

Commissioner Goosby questioned whether this was any different from the person who has the ability to arrange jewelry, whereupon Mr. Heath replied that that is a concession.

* * *

The following resolution was unanimously adopted:

(27) Professional Services Agreement to Review and Evaluate The Performance of Airport Commission Contracts.

No. 80-0151
No. 80-0151-A — Resolutions approving extension of the present agreement and approving the terms and conditions and authorizing the execution of a Professional Services Contract with Irving Soffer to review and evaluate the performance of Airports Construction Contracts for a total not to exceed $2,500.00 per month. Execution of new agreement is subject to receiving approval from the Civil Service Commission.

Mr. Heath said that Mr. Irving Soffer had been hired to review change orders on items connected with the North Terminal and Garage, and he is asking that the contract be continued.

Commissioner Bernstein asked what changes he had suggested to be made in the year that he worked for the Airport.

Mr.Heath said that is not his function, that it is to go over the changes in the North Terminal and develop documents that will flow from thatcontract where there is litigation in order to determine whether we have a case against the contractor or tenant.

Commissioner Bernstein asked if it is his function to say that the amount is too much.

Mr. Heath said he is more of a historian.

Commissioner Kadish expressed her hope that we are keeping this type of record on all current construction at the Airport as well as having this review of the past.

Commissioner Fleishell wondered when it would be determined whether we would continue with the Airport Architects and what is being done about it. He was told that is what Mr. Soffer is doing.

* * *

The following resolution was unanimously adopted:

(28) Permission to Attend AOCI Conference in Mexico City.

No. 80-0152 — Resolution requesting permission for Richard Heath to attend the Annual AOCI Conference in Mexico City, September 28 through October 3, 1980.

* * *

The following resolution was adopted by the following vote:
4 ayes (Commissioners Coblentz, Kadish, Goosby, Fleishell)
1 no (Commissioner Bernstein).

(29) Modification No. 77 (Debit), Airport Contract No. 1000, Garage: Stage IV - Superstructure Addition, $23,195.00.

No. 80-0153 — Resolution approving and requesting the Controller's certification of Debit Modification No. 77 to Airport Contract No. 1000, in the total debit amount of $23,195.00.

Commissioner Bernstein questioned the pouring of the concrete and the "unforeseen circumstances".

Mr. Robert Lee of Facilities/Maintenance Division, explained that the unforeseen circumstances were due to the unevenness of the concrete surface; that these are made in Petaluma and shipped here, so the ground has to be prepared and made level.

* * *

Trailing Calendar.

Commissioner Goosby noted that the trailing calendar was much smaller and asked if all the other items had been cleared up. He was told that they had been handled.

* * *

Proposal on TV Sets.

It was decided that the proposal on TV sets would be discussed at the next Commission meeting.

* * *

Adjournment.

The meeting adjourned at 4:10 and the Commission went into Executive Session.

for Warren D. Hanson
Acting Secretary
Airports Commission

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SAN FRANCISCO AIRPORTS COMMISSION

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MINUTES

Tuesday, June 17, 1980

DIANNE FEINSTEIN, MAYOR

COMMISSIONERS

MORRIS BERNSTEIN
President
WILLIAM K. COBLENTZ
Vice-President
RUTH S. KADISH
DR. Z.L. GOOSBY
J. EDWARD FLEISHELL

RICHARD R. HEATH
Director of Airports

San Francisco International Airport
San Francisco, California 94128

MINUTES
OF THE
AIRPORTS COMMISSION
MEETING

Tuesday, June 17, 1980

Call to Order:

The regular meeting of the Airports Commission was called to order at 2:01 p.m., in Room 282, City Hall, San Francisco, California.

* * *

Roll Call:

Present:	Commissioners Morris Bernstein, William K. Coblentz, Z. L. Goosby, Ruth S. Kadish, J. Edward Fleishell.
Absent:	None

* * *

Approval of Minutes:

The following resolution was unanimously adopted:

No. 80-0156	Resolution adopting the Minutes, as amended, of the Airports Commission meeting of June 3, 1980.

Commissioner Goosby suggested that in the future when an Item is put over to another meeting, an explanation should be given in the Minutes as to why it was put over.

* * *

Agenda Items Involving Airport Policies or Major Operational Decisions.

(4) Request of Delta Airlines for Discontinuation of the Volume Discount in the Landing Fees Agreement.

Commissioner Bernstein called Agenda Item No. 4 out of order.

Mr. Heath said he received a letter from Delta Airlines on it's position on volume discount in the landing fee agreement. He said since this involved potential litigation with some of the airlines, he felt the Commission should have the advice of Counsel before making a decision and suggested having an executive session.

Commissioner Bernstein said that before an executive session, it would probably be best to hear from all the people who wanted to speak.

Mr. James Chamberlain of Delta Airlines felt the discount is invalid and unenforceable and requested the end of the volume discount as of July 1, 1980.

Mr. Marshall Patterson of Continental Airlines objected to continuation of the volume discount because it was inequitable.

Ms. Jackie Grier of Flying Tiger supported the elimination of the volume discount.

Mr. Richard Jamison of American Airlines said the discount was unfair. He said San Francisco Airport was the only major airport that still had a volume discount. All the other major airports had stopped using that system.

Mr. William Lawder of United Airlines stated that if the volume discount is found to be illegal, United would support doing away with it. But he didn't believe it to be. Also, he wanted to remind the Commission that at one time all the airlines had agreed to the volume discount.

Mr. John Regan of Trans World Airways, said that although TWA benefits by the sliding scale landing fee, TWA feels that settlement of the outstanding litigation should be the most important consideration.

The Commission went into executive session at 2:21 p.m.

* * *

The meeting reconvened at 2:47 p.m. and continued with the Agenda.

* * *

4. Director's Reports.

(1) Implementation of Joint Powers Land Use Study - Joint Action Plan.

Mr. Heath, Director of Airports, stated that if all the suggested measures are taken it was unlikely the Airport will be able to comply with California Noise Standards of 1981, a 70 CNEL, or with a 60 CNEL by 1986. It was unlikely that any airport in the state would be able to comply with the 65 CNEL.

He said he was going to bring to the Commission a noise contour within which the airlines would have to reduce noise impacts. The airlines would decide which mitigation measures should be adopted. But if changes were not made in a timely manner, he would recommend that limits on the use of noisier aircraft, based on FAR 36-3, be put into effect. If the airlines wish to avoid such a drastic measure, they can work out ways to reduce noise.

Mr. Heath said that he was also going to recommend the establishment of a committee made up of community and airline people to bring together those who receive the impact of noise and those who are responsible for producing the noise. He said that one such committee is functioning in Minneapolis and seems to be doing quite well. He added the Airport should outline FAA regulations on these requirements, banning from the airport those aircraft which do not comply.

Mr. Heath said these measures, plus retrofitting, are goals that can be met at this airport and recommended the establishment of a committee consisting of citizens of communities surrounding the airport who would consult on these issues and bring to the Commission recommended policies.

Commissioner Kadish asked how the Airport would be represented.

Mr. Heath said the Airport would provide staffing. If both the airlines and the communities agree, the Airport would probably be able to accept that position.

Commissioner Goosby said it was his understanding that this issue was part of the Joint Action Plan Report so in effect by bringing up this issue, the Commission was beginning to discuss the Report one part at a time.

Mr. Heath said that was correct and staff would be bringing different parts to the Commission over forthcoming Commission meetings.

Commissioner Goosby asked if the Airport envisions a committee of about 25 people or more.

Mr. Heath said that would be worked out by the communities and the airlines.

Commissioner Goosby said that, as of now, there was no San Francisco participation and it might be good to have 2 or 3 people living in San Francisco communities impacted by airport noise as members of the committee.

Commissioner Fleishell asked what had happened to the Airport Labor Coalition's proposal for hush boxes.

* * *

(2) Ground Transportation Hearing.

Mr. Heath suggested that there be a Wednesday, June 25 public hearing on the matter.

Commissioner Kadish said she attended the Airport forum and that the majority of the discussion was on ground transportation, the rest on the international arrivals center. She expressed concern about the priorities as listed and said it is important for someone on the Commission or the whole Commission to address itself to priorities. She questioned in particular, the priority given improved passenger amenities, which is priority No. 8. She wondered why it was such a low priority. She mentioned complaints about the garage and noted that the signing wouldn't be completed until 1981. She said there needs to be signs there immediately.

Mr. Heath explained that the 1981 date is for permanent signing, and he wanted to be sure that any final signs will fulfill the needs.

Commissioner Fleishell asked about queing lines for boarding taxis.

Mr. Louis Turpen, Deputy Director/Operations, said that the Airport is in the process of procuring stations with which to set up the queing lines. He said the lines should be in place in about 2 weeks.

Commissioner Fleishell asked about luggage carts.

Mr. Heath said they will be throughout the terminals by July 1.

Commissioner Goosby said people should be allowed to park for a reasonable period of time and he wanted to be certain we were not eliminating that possibility.

Commissioner Goosby said he had received complaints about the number of skycaps.

Mr. Heath said that is being looked at, and there is a need for central management. He said, however, that the staff just wanted to see the impact of the luggage carts before dealing with the skycap situation.

Commissioner Goosby asked whether there was to be any coordination between the Airport and SamTrans regarding the new service to assist Airport employers and communities do work. He asked if a staff person will be working on this.

Mr. Heath said the person is already working.

Commissioner Goosby inquired about the Airport link to BART.

Mr. Heath said that question was part of the SamTrans/Airporter merger discussion.

Commissioner Goosby said he would like to have Muni involved.

Commissioner Goosby questioned the West of Batshore acreage listed in the report under Item 13, asking whether it was 90 acres or 180.

Mr. Heath said it was between 75 to 90 acres.

Commissioner Goosby said that land could be of great importance for revenues for the Airport and the City. He said that knowledgeable people from San Francisco should be involved in any decision as to what is done with that land so that San Francisco interests are looked after.

Commissioner Fleishell brought up the subject of taxi group rides, saying that it is unlawful to charge each passenger in a group ride for the same trip. He also said there were cases in which some taxis that had been junked are repurchased and put on the street again, resulting in unsafe cabs servicing the Airport.

Commissioner Kadish said the Commission passed rules and regulations last year regarding taxis, one being that each driver should display their picture. She said these rules are not being complied with and that something should be done to enforce them.

Commissioner Fleishell asked if any thought had been given to going back to the system of having only one cab company serve the Airport and pay for that privilege.

Mr. Heath said it had not been thought of recently but that it was worth looking into.

* * *

(3) Airport Policy Manual.

Mr. Heath said there have been delays but the job is moving forward and work should be begun shortly.

* * *

Items Initiated by Commissioners.

(3a) Study of Central Area in Garage.

Commissioner Kadish recommended authorizing the Director to make a study of what uses could be found for the area in the center of the Garage.

* * *

(3b) Award of Consulting Contracts.

Commissioner Goosby asked if it were possible for someone on Pete Singer's staff to compute the amount of time and money spent on consultants.

Mr. Singer asked if he wanted only the dollar amounts.

Commissioner Goosby asked that the computation include the dollars, time and names of jobs.

* * *

(3c) Airport Users Forum.

Commissioner Fleishell asked to have the Mayor notified that the meeting held on June 10th was not a special meeting of the Airports Commission.

* * *

(3d) Phones in the Sterile Area of the International Arrivals Area.

Commissioner Fleishell asked that the matter of phones in the international arrivals area be pursued further.

* * *

6. Agenda Items Involving Airport Policies or Major Operational Decisions (continued).

The following resolution was unanimously adopted:

(5) Peace Officer Status for Airport Police.

No. 80-0157	Resolution requesting and urging Board of Supervisors of the City and and County of San Francisco to take all actions necessary to commission as "peace officers" those Airport police officers who are otherwise qualified to be "peace Officers" pursuant to Section 830.4 of the California Penal Code.

Mr. Heath requested Commission approval of the resolution to be forwarded to the Board of Supervisors for their approval. He said the additional expenditure of $300,000 would be offset by a reduction in employee attrition rates.

Commissioner Coblentz said this was right and proper, it made sense and he supported it.

Commissioner Kadish added her support and recalled the request the Commission gave to Chief Barker to achieve peace officer status for the airport police.

Commissioner Fleishell said he was delighted that this was about to be accomplished and that Chief Barker deserves a lot of credit.

Commissioner Berbstein said he has wanted this for a long time and the officers are entitled to just compensation. He said he would like to see a top quality force, but he is not sure we have it.

Mr. Heath said that the payment of a good salary does not automatically assure high performance, but lower salaries often assure poor performance.

* * *

The following item was discussed and subsequently consideration was put over to a future meeting.

(6) Lease of Advertising Space for TV Stations.

Resolution authorizing Hart and Johnson Air Terminal Advertising Company to lease advertising space to television stations for the purpose of providing TV sets for public viewing.

Mr. Heath said the company would provide 50% of their gross revenue to the airport.

Commissioner Kadish said she would like to see exactly what the installations will look like and where they will be going.

Commissioner Fleishell said he could not approve it without first knowing what it entails.

* * *

The following resolutions were unanimously adopted:

(7) Modification of Agreement with Law Firm in Washington, D.C.

No. 80-0158 — Resolution approving modification No. 6 to agreement with the law firm of Hugan & Hartson, Washington, D.C., to extend the agreement for one year.

(8) Declaration of Emergencies - Repair of Sewer Lines, May 20, 1980; Electrical Cables & Switchgear, June 4, 1980.

No. 80-0159 — Resolution approving and ratifying the actions of the President of the Commission on declaring the emergencies and taking immediate steps to repair the sewer line failures and electric cables on the dates indicated in order to restore service.

* * *

Consent Calendar of Routine Administrative Matters:

The following resolutions were unanimously adopted:

(9) Landing Weights for Airline Aircraft.

No. 80-0160 — Annual resolution establishing maximum gross landing weights for airlines aircraft operated at the Airport effective July 1, 1980 per Part III, Section 3 of the San Francisco International Airport Rates and Charges.

(10) Shuttle Bus Service - Modification No. 11.

No. 80-0161 — Resolution approving increase in wage and fringe benefits per Section 3 of contract agreement.

(11) Lease Modification, TWA/Host.

No. 80-0162 — Modification of leasehold agreement and resolution recommending the reduction of space leased to TWA under Lease No. 22406 in order for Host International to construct a cocktail lounge on Pier F at Host's own expense without rental credit.

(12) Retirement Resolution for Captain John Stefanki.

No. 80-0163 — Resolution commending Captain John Stefanki on the occasion of his retirement.

Commissioner Kadish asked a few questions regarding Item (11)--She wanted to know why TWA would want to give it up and who made the decision that it should be given to Host.

Mr. Peter Singer, Deputy Director for Business and Finance, said that the position was an unused gate position and once giving it up, TWA's rental would be decreased.

Mr. Heath said that it was up to the Commission as to whether Host should get this space.

* * *

7A. Items Removed from the Consent Calendar:

The following item was discussed and subsequently, consideration was put over to a future meeting:

(11) Lease Extension of Bank of America National Trust and Savings Association.

Extending the lease term for the second five-year option period, October 1, 1980 - September 30, 1985, Bank of America National Trust and Savings Association.

Commissioner Fleishell said he thought it was not proper that the Bank of America get space at such a low price.

Commissioner Kadish requested that the item be put over until further discussions had been held with the Bank of America.

* * *

8. Consent Calendar of Contract Modifications:

The following resolution was adopted 4 ayes (Coblentz, Kadish, Goosby, Fleishell) to 1 nay (Bernstein):

(14) Modification No. 78 (Debit), Airport Contract No. 1000, Garage: Stage IV - Superstructure Addition, $5,601.00.

No. 80-0164 Resolution approving and requesting the Controller's certification of Debit Modification No. 78 to Airport Contract No. 1000, in the total debit amount of $5,601.00.

* * *

9. Trailing Calendar of Old Business.

There were no duscussions of items on the Trailing Calendar.

* * *

10. Adjournment:

There being no further matters before the Commission, the meeting adjourned at 4:10 p.m.

Eric Craven
Commission Secretary

SAN FRANCISCO AIRPORTS COMMISSION

MINUTES

Tuesday, July 15, 1980

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President
WILLIAM K. COBLENTZ
Vice-President
RUTH S. KADISH
DR. Z.L. GOOSBY
J. EDWARD FLEISHELL

RICHARD R. HEATH
Director of Airports

San Francisco International Airport
San Francisco, California 94128

Secretary's Announcement of Actions Taken by the Airports Commission in Executive Session on July 15, 1980.

Read to the Airports Commission Meeting on July 15, 1980.

In accordance with the Brown Act, Section 54957.1, I am announcing the results of the Commission acting in Executive Session on July 15, 1980, and the vote thereon:

> Resolution approving the offer prepared by Morrison and Forester to settle the litigation with the airlines was unanimously adopted by an aye vote of Commissioners Bernstein, Kadish, Goosby and Fleishell.

MINUTES
OF THE
AIRPORTS COMMISSION
MEETING

Tuesday, July 15, 1980

1. Call to Order:

The regular meeting of the Airports Commission was called to order at 2:06 p.m., in Room 282, City Hall, San Francisco, California.

* * *

2. Roll Call:

Present:	Commissioners Morris Bernstein, Z. L. Goosby, Ruth S. Kadish- J. Edward Fleishell.
Absent:	Commissioner William K. Coblentz.

* * *

3. Approval of Minutes:

The following resolution was unanimously adopted:

No. 80-0172	Resolution adopting the Minutes of the Airports Commission meeting of July 1, 1980.

* * *

4. Director's Reports.

(A1) Policy Regarding Minority Concessions.

Mr. Heath said that he has requested the City Attorney's position on the proposed policy.

(B1) Airport Land Use Plan.

Mr. Heath said that the Land Use Plan will be discussed at the next meeting.

4. Director's Reports (continued)

(C1) Terminal Construction Program.

Mr. Heath presented a report which showed that the number of gates and square footage of the terminal has decreased during the construction program.

(1) Progress report on the Implementation of FIRM/FAMIS.

Mr. Heath reported that the new accounting system set up by FIRM has been in operation since July 1, 1980.

* * *

5. Items Initiated by Commissioners.

The following resolution was unanimously adopted as amended.

(2) Resolution Supporting Hazardous Materials Congressional Hearing.

No. 80-0173	Resolution supporting Congressman Burton's Subcommittee Hearing to gather information about the handling of hazardous materials in air transportation.

Commissioner Fleishell said that the Airport should be leaders in the area of the handling of hazardous materials.

Peter Gautschi, Secretary of the Airport Labor Coalition recalled an incident that occurred at the Airport on April 30.

Commissioner Kadish said that she assumed Mr. Gautschi would be making a presentation to Congressman Burton's subcommittee with the Airport's resolution.

Mr. Gautschi said that he would.

Mr. Heath said that the Airport would present a resolution to Congressman Burton.

Mr. Roger Cohen of TWA said he would like more time to review the resolution.

Mr. Heath said that the Airport offices are open during normal working hours and that the airlines had plenty of time to seek information for their review prior to the scheduled Commission meetings.

Mr. Bill Ryan of United Airlines said he did not like the wording of certain portions of the proposed resolution.

* * *

(2A) Color of Signs

Commissioner Kadish said that Commissioner Coblentz had requested her to mention that he wished that something be done about the color of the arrival and departure signs in that their very similar color caused confusion.

* * *

(2B) San Francisco Airport Police Officer Going to Oklahoma.

Commissioner Kadish said that there was some concern about a San Francisco Airport police officer going to Oklahoma, a non-ERA ratifying State, for training. The funds for the trip came from Federal sources so no violation of City ordinances apparently had occurred. Commissioner Kadish said she was glad that Airport staff was aware of the non-ERA ratifying State travel restrictions.

* * *

(2C) Airport Traffic

Commissioner Fleishell asked that a report be prepared on ways to ease the Airport traffic situation. He asked that the staff consider such measures as use of meter maids and an increase in traffic fines.

* * *

(2D) Luggage Carts

Commissioner Goosby asked when the luggage carts would be installed.

Mr. Heath said that they would be operating by the middle of August.

* * *

(2E) Skycaps

Commissioner Goosby asked that the Airport study the lack of skycaps.

Mr. Heath said that the Airport was beginning a study.

* * *

5. Agenda Items Involving Airport Policies or Major Operational Decisions.

The following resolution was discussed; subsequently, consideration was postponed to a future meeting.

(3) Recommendations to San Francisco Charter Commission.

Resolution authorizing Airports Commission to recommend to the San Francisco Charter Commission the addition to the second discussion draft authorizing Airport to issue revenue bonds and second resolution creating an Airports Authority similar to the Oakland Port Authority.

Mr. Heath said that he recommended the Commission adopt the proposed resolution and forward it to the Charter Commission.

Bill Lawder of United Airlines said that the airlines haven't had a chance to study the proposals and preferred that consideration be postponed.

Commissioner Fleishell recommended that both resolutions be put over to the next meeting.

Commissioner Goosby said that he had received no copy of the proposed Charter but would like to have the wording of the existing Charter continued.

Commissioner Kadish estimated that the final Charter revision should be completed by August 15, 1980.

* * *

The following resolution was unanimously adopted:

(4) Bid Call, Airport Contract No. 1273, Additional Roadway Signing.

No. 80-0174 Resolution approving the final drawing and specifications and authorizing the Director of Airports to call for bids for Airport Contract No. 1273, Additional Roadway Signing.

Commissioner Kadish said that she had the views of Commissioner Coblentz to convey that there must be something done about the garage signing.

Mr. Heath said that he quite agreed and that Mr. Lou Turpen, Deputy Director for Operations was developing a plan.

Commissioner Goosby asked when he expected the program to begin.

Mr. Heath said it would start in about two weeks.

* * *

6. Agenda Items Involving Airport Policies or Major Operational Decisions (continued).

The following resolution was discussed; subsequently, consideration was postponed to a future meeting.

(5) TV Viewing Lounge — Lease of advertising space to various TV stations who will provide TV sets for public viewing.

Mr. Heath said that he proposed having Hart and Johnson lease television viewing locations to local stations.

Commissioner Goosby asked if the providing of this service had been bid on.

Mr. Heath said that it had not as it was covered under an existing contract.

Commissioner Goosby said that the original contract should have more specifically spelled out that Hart and Johnson would have responsibility for television sets in the terminals.

Mr. Hart of Hart and Johnson said that the television sets were more of a service than an income generating function.

Commissioner Fleishell said that he didn't understand what the television stations received in return for their provision of the television sets.

Mr. Hart said they just got to advertise their call letters.

Commissioner Fleishell said that he felt the Airport could do this with their own personnel and derive additional income.

Mr. Heath said that Airport staff hadn't had experience in this area and might make mistakes and end up spending many hours in staff time.

* * *

The Commission went into Executive Session at 3:20 PM.

* * *

The Commission reconvered at 3:52 PM*

* * *

*Commissioner Fleishell was not in the meeting room when the Commission reconvened.

Eric Craven, the Commission Secretary, read the result of the Executive Session, which is attached and included by reference:

The following resolution was unanimously adopted:

No. 80-0175 — Resolution appraising the offer prepared by Morrison and Forester to settle the litigation with the airlines.

* * *

The following resolution was unanimously adopted:

(6) Award of Contract No. 1208, Boarding Area "E" Apron.

No. 80-0176 — Resolution awarding Contract No. 1208, Boarding Area E Apron. The purpose of this contract is to provide portland cement concrete aprons and asphaltic concrete overlay to make the new boarding area operational.

Mr. Heath recommended approval of the resolution awarding the contract to Piombo Corporation.

Commissioner Bernstein said that he had serious questions about approving a bid that was 5% higher than the lowest bid. He said that he would vigorously oppose any modifications to increase this contract.

* * *

The following resolution was unanimously adopted:

(7) Award of Airport Contract No. 1179, Improvements to Sewage Pumping Station No. 3 - $53,470.00.

No. 80-0177 — Resolution awarding Contract No. 1179, Improvements to Sewage Pumping Station No. 3 to Monterey Mechanical Company in the total amount of $53,470.00.

Commissioner Kadish concurred that the first bid should be rejected noting that she didn't even feel that a bid that lacked a bond should be considered a bid. She asked that staff look at ways of handling bid documents so that bids lacking bond or other vital documents wouldn't even be opened.

Mr. Heath said that he would ask Mr. Don Garibaldi, Airports General Counsel, to do so.*

* * *

*Commissioner Fleishell returned at this point in the meeting at 4:06PM.

7. Consent Calendar of Routine Administrative Matters.

The following resolutions were unanimously adopted:

(8) Professional Services Agreement, Signet Testing Laboratories, Inc.; Not to Exceed $25,000.

No. 80-0178 — Resolution approving the professional services agreement with Signet Testing Laboratories, Inc., 1428 West Winton Avenue, Hayward, California 94545, to provide specialized concrete testing services.

(9) Approval of Claims Settlement - $6,864.45.

No. 80-0179 — Resolution approving the action of the Director of Airports, with the approval of the City Attorney, in the settlement and compromise of claims during the months of April, May and June, 1980, in accordance with Airports Commission Resolution No. 74-0237.

(10) Contract Modification No. 3, Professional Services Agreement with Howard A. Friedman.

No. 80-0180 — Resolution approving Contract Modification No. 3 to extend contract for twelve (12) months to June 30, 1981, at no additional cost.

(11) Travel Authorization.

No. 80-0181 — Resolution authorizing Deputy Director for Finance and Administration, Peter Singer, to attend annual AOCI Conference in Mexico City, September 28 - October 3, 1980.

(12) Airport Development Aid Program (ADAP-11) Acceptance of Federal Grant Offer in the Amount of $2,136,697 for Project No. 6-06-0221-11.

No. 80-0182 — Resolution accepting the grant offer made by the Federal Aviation Administration for Project No. 6-06-0221-11 and authorizing the Director of Airports to execute its acceptance in the amount of $2,136,697.00 for the following projects:

-more-

7. Consent Calendar (continued)

(12) - (continued)

-Reconstruct Airfield Perimeter Dike
-Overlay Lower Level Roadway-South and Central Terminal
-Apron for Boarding Area "A" Connector
-Grooving of R/W 28R and 28L (East Ends)
-Overlay and REconstruct R/W 1R-19L, North End.

(13) Modification No. 1 and Completion of Contract 1096R, Emergency Communication System for Elevators.

No. 80-0183

Resolution accepting the work under Airport Contract No. 1096R, Emergency Communication System for Elevators, as satisfactorily completed; approving and requesting the Controller's certification of Debit Modification No. 1 in the amount of $795.00; and approving final payment in the amount of $11,872.95 in favor of the contractor, Collins Electric Company of San Francisco, P. O. Box 24044, San Francisco, CA 94134.

(14) Tenant Improvement: Delta Airlines Apron Work, Hydrant Fueling System for Aircraft at Boarding Area "E" Supplemental Submission $75,000.00 Increase.

No. 80-0184

Resolution approving Addendum No. 1 to plans and specifications submitted by Delta Air Lines showing an increase in scope of construction of an underground hydrant fueling system to be incorporated into the Boarding Area "E" ramp pavement. The additional work will be done by Delta Air Lines at their own and sole expense.

(15) Tenant Improvements: American Airlines and Delta Airlines, Boarding Area E Apron Work, Aviation Hydrant Fuel Cross-Connector Pipeline - $75,000.

No. 80-0185

Resolution approving the final plans and specifications submitted by American Airlines and Delta Air Lines showing construction of an underground casing in which a future aviation hydrant fuel cross-connector pipeline will be installed under Boarding Area E. The work will be done by American Airlines and Delta Airlines at their own and sole expense.

* * *

8. Consent Calendar of Contract Modifications.

The following item was adopted 3 ayes (Kadish, Goosby, Fleishell) to 1 nay (Bernstein):

(16) Airport Contract No. 1000, Garage: Stage IV - Superstructure Addition, Modification No. 80 (Debit) - $12,258.00.

No. 80-0186 — Resolution approving and requesting the Controller's certification of debit Modification No. 80 to Airport Contract No. 1000, in the total debit amount of $12,258.00.

* * *

9. Trailing Calendar of Old Business

There was no discussion of items in the Trailing Calendar.

* * *

10. Adjournment of Meeting.

There being no further matters before the Commission, the meeting adjourned at 4:11 P.M.

Eric Craven
Secretary
Airports Commission

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MINUTES

Tuesday, August 5, 1980

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WILLIAM K. COBLENTZ
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RUTH S. KADISH
DR. Z.L. GOOSBY
J. EDWARD FLEISHELL

RICHARD R. HEATH
Director of Airports

San Francisco International Airport
San Francisco, California 94128

MINUTES
OF THE
AIRPORTS COMMISSION

Tuesday, August 5, 1980

Secretary's Announcement of Actions Taken by the Airports Commission in Executive Session on July 15, 1980.

Read to the Airports Commission Meeting on July 15, 1980.

IN ACCORDANCE WITH THE BROWN ACT, SECTION 54957.1, I AM ANNOUNCING THE RESULTS OF THE COMMISSION ACTING IN EXECUTIVE SESSION ON JULY 15, 1980, AND THE VOTE THEREON:

RESOLUTION APPROVING THE OFFER PREPARED BY MORRISON AND FORESTER TO SETTLE THE LITIGATION WITH THE AIRLINES WAS UNANIMOUSLY ADOPTED BY AN AYE VOTE OF COMMISSIONERS BERNSTEIN, KADISH, GOOSBY AND FLEISHELL.

MINUTES
OF THE
AIRPORTS COMMISSION

Tuesday, August 5, 1980

1. Call to Order:

The regular meeting of the Airports Commission was called to order at 2:03 p.m., in Room 282, City Hall, San Francisco, California.

* * *

2. Roll Call:

Present: Commissioners Morris Bernstein, William K. Coblentz , Ruth S. Kadish, Z. L. Goosby, J. Edward Fleishell.

Absent: None

* * *

3. Approval of Minutes:

There were no Minutes presented for adoption.

* * *

4. Director's Reports:

(1) Airport Signing Program.

A presentation of the Airport Signing Program was made by Sheldon Fein, Traffic Engineer, who explained the action taken in the last two weeks to approve the signing in the garage. He stated that the major objective of the Airport is to provide the right message in the right place at the right time.

Commissioner Kadish said there are confusing signs at the Economy Parking lot regarding the shuttle buses, and she requested that the matter be looked into. She also questioned the color designations as cited on page 4 of the report, and said the color scheme assumed that people knew to which terminal they were going.

4. Director's Reports (continued)

Mr. Fein explained that he had not gotten into that yet but would do so. He then distributed photos showing the color coding. He showed a mock-up of the changeable signs that will be used when an airline moves from one location to another.

* * *

6. Agenda Items Involving Airport Policies or Major Operational Decisions.

(7a) Commendation: Appointment of Mary Callanan to be Treasurer of San Francisco.*

No. 80-0187 — Resolution of commendation for the services of Mary Callanan, Chief Accountant of San Francisco International Airport.

Mr.Heath congratulated Mary Callanan on her appointment as City Treasurer.

Commissioner Kadish said is was particularly significant that a woman was appointed in this position.

Ms. Callanan said that she had enjoyed her many years of work at the Airport.

* * *

4. Director's Report (continued)

(2) Report on the Development of an Airport Land Use Zoning Plan.

Lou Turpen, Deputy Director for Operations and Maintenance reported that the Airlines Technical Committee had forwarded comments on the Plan and those comments are being evaluated.

Commissioner Goosby said the Commission would have to decide how the land west of Bayshore will be used. He asked if a consultant was going to be hired to present alternatives to the Commission.

Mr. Heath said that the basic decision would have to be made by the Commission. If the land was to be used for non-Airport activities, no Airport monies could be used and the land would have to be developed separately from the Airport.

---

*Commissioner Coblentz arrived at 2:15 during discussion of this item.

. Items Initiated by Commissioners.

(2a) TWU and Health Conditions.

Commissioner Kadish said she had received a letter from the Transport Workers Union regarding sewage seepage. She requested that it be given immediate response.

* * *

(2b) Plan for Central Part of Parking Garage.

Commissioner Kadish inquired as to the status of her request that the staff and architectural consultant work out a proposed plan for use of the center of the Garage.

Mr. Heath said that staff would work on that item.

* * *

(2c) Wine at the Airport.

Commissioner Fleishell said that the Commission was informed there were no bids on the Wine Shop. He said he mentioned to a staff member that two firms had written to the Airport stating their interest but had received no response. He said he would like to know why they have not been contacted.

Mr. Heath requested a copy of the letter.

Commissioner Fleishell read portions of the letter and gave his copy to Mr. Heath.

* * *

. Agenda Items Involving Airport Policies or Major Operational Decisions (continued).

The following resolution was unanimously adopted:

(3) Award of Airport Contract No. 841, Electric Service to Airfield Drainage Pump Stations, 19L and 19R.

No. 80-0188	Resolution awarding Contract No. 841, to Rosendin Electric Company, San Jose, California, in the amount of $155,741.00. The purpose of this contract is to extend the 12KV power service to proposed drainage pump stations 19L and 19R.

* * *

6. Agenda Items Involving Airport Policies or Major Operational Decisions (continued).

The following item was discussed and subsequently, further consideration was postponed to a future meeting:

(4) Contract No. 1200A, Central Terminal Modernization, Site Preparation Work - Award of Contract.

Award of contract to S. J. Amoroso Construction Company Inc./Verett Construction Company, a joint venture, in the amount of $1,864,000.

Mr. Heath recommended that this item be put over so that Piombo could carry forward its appeal to the Human Rights Commission.

Gail Roberts of the Human Rights Commission said that Commission would consider the matter on August 28th.

Commissioner Coblentz suggested that the Airport try to move that date up since the next Airports Commission meeting would be on the 19th.

Commissioner Bernstein said he would call the HRC President.

Commissioner Goosby said he had never seen the approved affirmative action plan. He said that he has been asking to see those kinds of plans for two years.

Mr. Heath said that procedures would be developed so that plans would be included in future Commission packets.

* * *

The following items were unanimously adopted:

(5) Amendment No. 3 to John Carl Warnecke and Dreyfuss and Blackford's Contract to Delete Remaining Pedestrian Bridges ($62,450) Credit.

No. 80-0189

Amendment No. 3 to John Carl Warnecke and Dreyfuss and Blackford's contract to delete Pedestrian Bridges A, B and C in South Terminal and Bridge D in Central Terminal. Reduce certified amount by $62,450.00.

6. Agenda Items Involving Airport Policies or Major Operational Decisions (continued).

(6) Amendment No. 7 to Gensler & Associates Contract to Include Pedestrian Bridge D, Connectors and Ramps to North Terminal Roof - $683,250.

No. 80-0190 — Amendment No. 7 to Gensler and Associates contract to include Pedestrian Bridge D from Central Terminal to the Garage, Connectors from Central Terminal to the North and South Terminals, ramps to the parking area on the North Terminal Roof. Amount to be certified: $683,250.

Mr. Heath recommended approval of resolutions.

Commissioner Fleishell said the Airport was repeating errors that were done before he began serving as an Airport Commissioner. He said that the Airport was once again having a building re-designed. He said the Airport does not exist to provide employment to Architects.

Commissioner Kadish said it was her impression that 95% of the design work was already done. She asked what is the rationale for having the work done again.

Mr. Heath said Gensler and Associates has come up with a design for a pedestrian bridge that will cost less money and that the problem is how the structure relates to the existing building.

Commissioner Kadish said that she wanted the Minutes to reflect that both connectors are being assigned to Gensler Associates with the understanding that this would be done pursuant to Commission policy to broaden architectural input and Gensler would thus be associated with other firms. Specifically, Gensler would be working with a woman-owned architectural firm.

Commission Kadish said that she thought it was Commission policy that there be separate resolutions accepting each phase of the work.

Mr. Heath said that he didn't believe that was the case and if that was the Commission policy, he felt it should be re-examined.

Mr. Jason Yuen of the Bureau of Terminal Construction, said that because this is a project central to the next phases of the reconstruction program, he would like each phase to move swiftly on to the next one.

* * *

The following resolution was adopted as amended 4 ayes (Bernstein, Coblentz, Kadish, Goosby) to 1 nay (Fleishell):

(7) TV Viewing Lounge.

No. 80-0191 — Lease of advertising space to various TV stations who will provide TV sets for public viewing.

Mr. Heath said that in answer to prior Commissioner's questions concerning whether or not this could be done in-house, it would cost the Airport more if Airport staff did this than if Hart & Johnson did the work. He said the Airport didn't have anyone on staff now who has the capability of putting the project together.

6. Agenda Items Involving Airport Policies or Major Operational Decisions (continued).

Commissioner Fleishell said this is a simple project and that TV stations would give greater credence to a letter from the Commission than to one from Hart and Johnson*.

Mr. Heath said his recommendation is that if the Airport didn't do it this way that it not be done at all. He said the project will require more employees on the payroll.

Commissioner Goosby said it was his understanding that TV stations would provide the sets if the Airport justified this service.

Mr. Bill Ryan of United Airlines said that the airlines feel that the Airport staff should be capable of doing the work without going outside.

Mr. Heath said that staff had looked at this from the basis of saving money. He said that when the Airport has the staff capability to do a job, the Airport should do it.**

Commissioner Fleishell said that the Airport has hired several consultants whose views were felt to be incorrect. He said that if we are going to settle the lawsuit we should handle the Airport like a business.

Mr. Heath said that if the Airport were a business, the project would be done exactly the way he was suggesting.

Commissioner Coblentz said he has been in favor of the project for a long time. He said he wouldn't want to add unnecessary personnel, and that this would be tried out on an experimental basis.

Mr. Heath said the service would be done under the existing contract and that Hart & Johnson have a five year agreement and an option to extend for an additional five years.

Commissioner Coblentz said that he would like to see the contract for five years with no option. Commissioner Kadish agreed with Commissioner Coblentz.

Commissioner Goosby asked whether this service was part of the original contract.

Mr. Heath said that it was generally outlined.

Commissioner Bernstein said the advertising space on the TV's should be limited to the stations providing the sets as shown in the illustrations provided to the Commission.

Commissioner Kadish said that if there was a turn-off switch for the sets, that information should be called to the public's attention.

* * *

*Commissioner Coblentz left the room at this point in the discussion, 2:49 PM.
**Commissioner Coblentz returned to the room at this point, 2:52 PM.

7. Consent Calendar of Routine Administrative Matters.

The following resolutions were unanimously adopted:

(8) Airport Contract No. 1100, Boarding Area "E", Approval of Administrative Procedure.

No. 80-0192 — Resolution to allow F. P. Lathrop Construction Company to pay San Francisco Airport Architects $6,014.50 directly for additional services required because of misaligned piles.

(9) Completion of Airport Contract No. 1195R, Improvements to Drainage Sumps - North Terminal.

No. 80-0193 — Resolution accepting the work under Airport Contract No. 1195R, Improvements to Drainage Sumps - North Terminal, as satisfactorily completed and approving final payment in the amount of $21,768.00 in favor of the contractor, BEPCO, Inc., 4901 Tidewater Avenue, Oakland, California 94601.

(10) Airport Contract No. 1296, Emergency Repair of Sewer Lines, Completion and Final Payment.

No. 80-0194 — Resolution accepting the work under Airport Contract No. 1296, Emergency Repair of Sewer Lines, as satisfactorily completed; and approving final lump sum payment in the amount of $29,300 to the contractor, Homer J. Olsen, Inc., 2726 Lynch Way, Union City, CA 94587.

(11) Modification No. 2 and Completion of Contract No. 1257, Silt Removal - 1979.

No. 80-0195 — Resolution accepting the work under Airport Contract No. 1257, Silt Removal - 1979, as satisfactorily completed; extending the completion date from December 19, 1979 to June 11, 1980; approving and requesting the Controller's certification of Credit Modification No. 2 in the amount of $1,699.04; and approving final payment in the amount of $4,168.86 in favor of the contractor CAL Equipment, 710 Orange Avenue, San Carlos, CA 94070.

7. Consent Calendar of Routine Administrative Matters.

(12) Professional Services Agreement, Signet Testing Laboratories, Inc., Not to Exceed $15,000.

No. 80-0196 — Agreement to provide professional services for materials testing in accordance with the specifications for Airport Contract No. 1200A, Central Terminal Modernization, Site Preparation Work.

(13) Safety Consulting Services, Ivor Larson and Associates, $13,000.

No. 80-0197 — Professional Services agreement to provide safety consulting services to the Airport as required by the Occupational Safety and Health Act of 1970.

(14) Settlement of Litigation: Legaretta v. CCSF.

No. 80-0198 — This resolution approves the settlement of a litigated action entitled Legaretta v. CCSF, et al., San Francisco Superior Court No. 737-604, by payment of $4,000.00.

(15) Travel Authorization.

No. 80-0199 — Resolution authorizing Deputy Director of Business and Finance, Pete Singer, to attend ICAA Congress, Los Angeles, September 22 - 25, 1980.

* * *

8. Consent Calendar of Contract Modifications.

The following resolution was adopted 4 ayes (Coblentz, Kadish, Goosby, Fleishell) to 1 nay (Bernstein):

(16) Airport Contract No. 1000, Modification No. 81 (Debit), Garage: Stage IV - Superstructure Addition, $16,463.00.

No. 80-0200 — Resolution approving and requesting the Controller's certification of debit modification No. 81 to Airport Contract No. 1000, in the total debit amount of $16,463.00.

* * *

9. Trailing Calendar of Old Business.

There was no discussion of items on the Trailing Calendar.

* * *

10. Adjournment to go into Executive Session.

There being no further matters before the Commission, the meeting adjourned at 3:01 p.m. to go into Executive Session.

Eric Craven
Commission Secretary

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MINUTES

Tuesday, August 19, 1980

DIANNE FEINSTEIN, MAYOR

COMMISSIONERS

MORRIS BERNSTEIN
President
WILLIAM K. COBLENTZ
Vice-President
RUTH S. KADISH
DR. Z.L. GOOSBY
J. EDWARD FLEISHELL

RICHARD R. HEATH
Director of Airports

San Francisco International Airport
San Francisco, California 94128

MINUTES
OF THE
AIRPORTS COMMISSION
MEETING

Tuesday, August 19, 1980

1. Call to Order:

The regular meeting of the Airports Commission was called to order at 2:03 p.m., in Room 282, City Hall, San Francisco, California.

* * *

2. Roll Call:

Present:	Commissioners Morris Bernstein, Ruth S. Kadish, Z.L. Goosby, J. Edward Fleishell*.
Absent:	Commissioner William K. Coblentz

* * *

3. Approval of Minutes:

The following resolution was unanimously adopted:

No. 80-0203	Resolution adopting the Minutes, as amended, of the Airports Commission meetings of July 15, 1980 and August 5, 1980.

* * *

4. Secretary's Announcement of Actions Taken by the Airports Commission on August 5, 1980.

Eric Craven, Secretary to the Commission, read a statement of the actions taken by the Commission on Executive Session on August 5th, a copy of which is attached and included by reference.

* * *

*Commissioner Fleishell arrived at 2:28 PM.

5. Director's Reports.

(1) Report on Status of SamTrans/Airporter Merger

Mr. Richard Heath, Director of Airports, said that he had looked at several proposals regarding this. He felt that if the Airport agrees to a cancellation of the Airporter contract and SamTrans took over Airporter service, the Airport would be in the position that if the service provided by SamTrans did not meet the Airport's standards, the Airport would be left without an alternative way of providing this transportation. He said he would recommend that the Airport not cancel the contract, but reinforce certain exclusivity provisions so that when the contract is re-bid in two years, the service would be stronger. He said no action was required at this time by the Commission but at the next meeting he would bring a resolution for Commission consideration.

Mr. James Clapp, an attorney, appeared on behalf of Lorrie's Tours. He stated his objection to the contract provisions as cited by Dick Heath. He said he understood that a public hearing was supposed to be held on this matter prior to any Commission action.

Commissioner Bernstein reminded him that this was, in fact, a public meeting.

Mr. Heath said he did not recall any resolution of the Commission about there being a public hearing on this matter. Mr. Heath said that he did not think it would be appropriate to hold a public hearing on this one issue. He requested that Mr. Clapp submit a letter outlining his concerns about the issue.

Mr. Clapp agreed to do so.

Commissioner Bernstein said it was his feeling that there shouldn't be a public hearing every time there is a controversy.

* * *

(2) FIRM Implementation Progress Report.

Mr. Heath stated that the system is "off and running".

Commissioner Kadish asked that the various computer system abbreviations be explained, and inquired as to the progress being made in finding a new Chief Accountant.

Mr. Pete Singer, Deputy Director for Business and Finance, said a woman has been found who seems to be fully qualified.

* * *

6. Items Initiated by Commissioners.

(2A) Press Coverage of Airport Minority Business Enterprise Program.

Commissioner Goosby said that he had read in Airport Services Management magazine an article concerning minority business development at the Airport. He said he did not feel the Airport's program was a "nightmare" and the Airport should respond to that kind of article.

* * *

7. Agenda Items Involving Airport Policies or Major Operational Decisions.

(3) Contract 1200A - Central Terminal Modernization - Site Preparation Work - Award of Contract.

Contract 1200A - Central Terminal Modernization - Site Preparation Work. Award of contract to S. J. Amoroso Construction Co., Inc./ Verett Construction Company, A Joint Venture, in the total amount of $1,864,000.00

Item (3) was removed from the Calendar.

Commissioner Bernstein said there might be a problem regarding this item due to the pending hearing of the Human Rights Commission on this matter. The Human Rights Commission hearing will be held on August 28 but they may not come to a finding before the bids for the job lapse on September 6. He did not believe the people of San Francisco should be penalized because HRC could not come to a decision.

Mr. Heath felt it would be advisable for a letter to be written, signed jointly by himself and Commissioner Bernstein, pointing out that the delay costs money.

Commissioner Bernstein wondered if the Commission could act on the matter without the HRC coming to a conclusion.

Mr. Heath said that would be impossible but he could see no reason why HRC could not come to a decision on the 28th.

* * *

7. Policies or Major Operational Decisions (continued)

The following resolution was unanimously adopted:

(5) Award of Airport Contract No. 1321, Cleaning Services for North Terminal Facility.

No. 80-0204 — Resolution awarding Airport Contract No. 1321, Cleaning Services for North Terminal Facility, to American Building Maintenance Company, 335 Fell Street, San Francisco, CA 94102 in the total amount of $1,470,933.54 subject to final approval by the Board of Supervisors.

Mr. Heath said the low bidder on this contract was American Building Maintenance Company and they have met the requirements of the HRC. He requested that the Commission award the contract.

Commissioner Kadish requested clarification of an item under Section 4 of the Affirmative Action Agreement. She asked whether 3% of business was to go to Minority Business Enterprises (MBEs) and Women-owned Business Enterprises (WBEs) or was 3% of the business to go to MBEs and 35% to WBEs.

Ms. Lydia San Filippo of the Human Rights Commission explained that 35% was the sum of the two, that 25% was for the MBEs and the the rest for the WBEs.*

* * *

The following item was discussed and subseqnently, further consideration was postponed to a future meeting:

(8) Discussion of SF-SFO Airport Transfer Regarding Termination of Their Operating Arrangement.

Mr. Charles Richards, Attorney for SF-SFO Airport Transfer outlined some of the history of SFO Airport Transfer's operation at the Airport. He said his client, Mr. Ron Ratti, received a letter from the Airport saying that SFO Airport Transfer had been operating at the airport under an informal arrangement and upon further review it appears that they cannot continue. He said that they were transporting businessmen, who would in all likelihood not use the Airporter anyway, so they were not taking any business away from the Airporter. Mr. Richards read portions of the Airporter contract which provided for additional service under certain conditions and he said that SFO Airport Transfer falls under those conditions.

Mr. Heath said that he had never heard this argument before.

Mr. Charles Brown of the Teamsters Union spoke and he said this type of service was not necessary.

Mr. Richie of Local 265 of the Teamsters spoke in opposition to letting the contract to SF-SFO. He said that this type of service created a problem, adding greatly to the traffic. He requested that the Commission restrict the number of vehicles allowed on the Airport.

7. Policies/Operational Decisions (continued)

Mr. James Clapp, Attorney for Lorrie's Travel and Tours, appeared in support of Mr. Ratti's challenge. He said that the Airport legal staff had one position but altered it when Airporter threatened to sue the Airport.

Commissioner Bernstein suggested that the Commission wait until receipt of a letter from Mr. Richie.

Commissioner Fleishell said that the Commission was in the position of being caught in the middle between conflicting legal opinions. He asked if SFO Airport Transfer would be willing to put up a bond to pay for all damages and costs that might result from a lawsuit if the Commission would disregard its Counsel's advice and grant an operating permit to SFO Airport Transfer.

Mr. Richie said they would.

Mr. Clapp said that Lorrie's would also.

* * *

The following resolutions were unanimously adopted as amended:

(6) Joint Action Plan and Regional Airport Plan.

No. 80-0205 No. 80-0206	Resolutions adopting the Joint Action Plan of the Joint Land Use Board and adopting, in principle, the MTC Regional Airport Plan.

Mr. Heath said that the Joint Powers Board has completed their work and has adopted a Joint Action Plan concerning Airport operations. He requested the Commission pass a resolution supporting that plan. He said that, additionally, the Metropolitan Transportation Commission has issued a regional airport plan and the two documents are consistent in their basic thrust, i.e., noise control. He requested its approval, in principle, pending reports and studies from the airlines.

Mr. Bill Ryan spoke for the airlines. He emphasized that on the Joint Action Plan all parties should reserve the right to discuss the individual items. He said the airlines agree in general and in principle, but that when it comes to specific noise litigation measures, they might disagree.

Commissioner Goosby said he felt more comfortable in adopting items in principle and urged that each specific item be discussed.

Commissioner Kadish said the words "in principle" should be inserted in the resolution where appropriate.

* * *

8. Consent Calendar of Routine Administrative Matters.

The following resolutions were unanimously adopted:

(10) Approval of Landing Weights for Airline Aircraft.

No. 80-0207 — Resolution approving establishment of maximum gross landing weights for additional list of air carriers, aircraft types and models not included in the recently-approved Resolution No. 80-0161.

(11) Airport Contract No. 1248, Modification No. 2, Extension of Time, Emergency Airfield Pavement Repairs, FY 1979-80.

No. 80-0208 — Resolution approving Modification No. 2 extending the completion date from September 30, 1980 to December 31, 1980 at no additional cost to the City. The contractor for this work is Lowrie Paving Company, Inc.

(12) Termination of Western Airlines Lease, PUC/Res. 2199, (WAL Contract 2424).

No. 80-0209 — Termination of Western Airlines Lease, PUC/Res. 2199, (WAL Contract 2424).

* * *

9. Consent Calendar of Contract Modifications.

The following item was discussed and subsequently, further consideration was postponed to a future meeting:

(13) Airport Contract No. 1015, Garage: Stage V, Final Modifications, Modification No. 18 (Debit) $23,695.79.

Resolution approving and requesting the Controller's certification of debit Modification No. 18 to Airport Contract No. 1015, Garage: Stage V Final Modifications in the total amount of $23,695.79.

Commissioner Kadish said that this item concerned waterproofing. She wondered why, since Stage V is so well along, it took so long to find the leaks.

Mr. John Caproni, CMC, said that as work was being done, they found an area where it needed to be done.

9. Consent Calendar of Contract Modifications (continued).

Commissioner Kadish requested that Mr. Caproni compare his figures for waterproofing on this job to the figures for the waterproofing near the Host facility to see what the comparative cost per square foot was.

Mr. Heath said that probably the two jobs could not be compared because of different structural problems. He said that the Engineering Division had thoroughly reviewed the matter.

Commissioner Kadish said that she only wanted a cost per square foot comparison.

Commissioner Bernstein said that the matter would be put over.

* * *

10. Trailing Calendar of Old Business.

There was no discussion of items on the Trailing Calendar.

* * *

11. Adjournment of Meeting.

There being no further matters before the Commission, the meeting adjourned at 3:17 p.m.

Eric Craven
Commission Secretary

Secretary's Announcement of Actions Taken by the Airports Commission in Executive Session on August 5, 1980.

Read to the Airports Commission Meeting on August 19, 1980

In accordance with the Brown Act, Section 54957.1, I am announcing the results of the Commission acting in Executive Session on August 5, 1980, and the vote thereon:

1. Resolution approving the litigated claim of James Marsh Company against San Francisco International Airport by payment of $20,000.00 was unanimously adopted by an aye vote of Commissioners Bernstein, Coblentz, Kadish, Goosby and Fleishell.

2. Resolution fully supporting the action taken by the Director of Airports in reinstating the five days per week, eight hours per day work week for the Airport Police was unanimously adopted by an aye vote of Commissioners Bernstein, Coblentz, Kadish, Goosby and Fleishell.

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MINUTES

Tuesday, September 2, 1980

DIANNE FEINSTEIN, MAYOR

COMMISSIONERS

MORRIS BERNSTEIN
President
WILLIAM K. COBLENTZ
Vice-President
RUTH S. KADISH
DR. Z.L. GOOSBY
J. EDWARD FLEISHELL

RICHARD R. HEATH
Director of Airports

San Francisco International Airport
San Francisco, California 94128

MINUTES
OF THE
AIRPORTS COMMISSION
MEETING

Tuesday, September 2, 1980

1. Call to Order:

The regular meeting of the Airports Commission was called to order at 2:00 p.m., in Room 282, City Hall, San Francisco, California.

* * *

2. Roll Call:

Present: Commissioners Morris Bernstein, William K. Coblentz, Ruth S. Kadish, Z.L. Goosby, J. Edward Fleishell.

Absent: None

* * *

3. Approval of Minutes:

The Minutes of the Airports Commission meeting of August 19, 1980, were unanimously adopted.

* * *

4. Director's Reports:

(1) Director's Report on FAA Control Tower.

Report on a proposal to build a new Control Tower atop Central Terminal. The tower, less cab, will be constructed under the Central Terminal Modernization Project, utilizing the $2.1 million Federal funds available, The cab will be installed under a separate contract to be budgeted in FY 81/82, utilizing either Airport funds or additional Federal funds. New tower to be operational when Central Terminal reopens as International Terminal.

4. Director's Reports (continued)

Mr. Richard R. Heath, Director of Airports discussed the plans for the building of the Control Tower. He said new plans have been adopted, but there is a problem with the money available for the project; that studies indicate that the most logical place for the tower would be atop of the Central Terminal. The funds available are $2.1 million but the FAA desires a tower which would cost $3.5 million. He said that Gensler has come up with a plan whereby the structural work could be done with the available $2.1 million and the rest of the cost could be worked out with the FAA. He said money would be saved using this method rather than waiting until all the funds are available.

Commissioner Kadish questioned whether this would weaken our negotiating position if this were placed in the budget, and suggested that it would be better to negotiate with the FAA before making a commitment.

Mr. Heath said that he was suggesting that the Airport use the $2.1 million on part of the work and keep from making future commitments.

Commissioner Goosby asked what was the maximum that could possibly be funded.

Mr. Heath replied that there was a large amount of money in a trust fund for purposes such as this.

* * *

(2) Affirmative Action Policy - Airport Commission

Resolution establishing affirmative action policy, Airport Commission.

Mr. Heath said this report was about a specific affirmative action policy which would involve setting aside certain concessions for small businesses that can be wholly or partially owner-operated. The amount suggested is $15,000 or less. He said that the question had been raised as to whether a bidder who is successful on other contracts could be excluded from this type of bidding but the City Attorney has said that this cannot be done. Mr. Heath asked that the Commission look at it over the next few weeks and come back with their thoughts on it.

Commissioner Goosby asked what the rationale was for establishing $15,000 as the minimum annual guarantee rather than any other amount.

Mr. Heath said this was just an arbitrary figure.

Commissioner Goosby questioned the fairness of restricting these small businesses by having the proprietor working a certain number of hours per week.

4. Director's Reports (continued)

Mr. Heath said that it would be difficult to check on this but the purpose of the policy is to have more owner-operated businesses rather than those owned in absentia.

Commissioner Fleishell felt that it was important to maintain some policies so that new smaller concessionaires could begin to work at the Airport. The purpose of the proposed policy was not to make rich minorities richer.

* * *

5. Items Initiated By Commissioners.

(2a) Booths.

Commissioner Kadish said she had received a communication concerning the types of materials disseminated from the booths in the Central Terminal and wondered if there was any plan for monitoring this situation. She said that a year ago she had thought certain regulations were being developed.

Mr. Heath said these regulations are in effect and relate to the size of signs that can be put up.

Commissioner Kadish said that staff might be able to designate to some degree what could be on the signs.

Mr. Heath said trying to limit the handouts in the booths or the signs could well lead to free speech problems.

Commissioner Coblentz said that the Airport would be within its rights to put up an appropriate sign disclaiming any connection to what was going on in the booth.

Mr. Heath said that there was a sign already, but perhaps it could be larger. He said he would have the attorneys look at this again.

* * *

6. Agenda Items Involving Airport Policies or Major Operational Decisions.

The following resolution was unanimously adopted:

(3) Airporter/SamTrans Merger.

No. 80-0212 — Resolution adopting policy on Airporter/SamTrans merger.

Mr. Heath said that it was the staff's conclusion that it was in the best interests of the Airport to cancel the contract with Airporter.

Commissioner Goosby inquired as to what the status of the merger was in that groups had appeared before the Commission at its last meeting regarding this question.

Mr. Heath said that he did not believe the merger plans would be going through.

* * *

(4) Airport Shuttle Bus Service.

Item (4) was removed from the Calendar.

* * *

(5) North Terminal Concession Development, Phase 2, General Plan.

Item (5) was postponed to a future meeting.

* * *

The following resolution was unanimously adopted as amended:

(6) Contract No. 1204, Fire Station No. 1, Approval of Schematic Plans, Revised Construction Budget and Amendment No. 1 to Young & Associates, A.I.A. Professional Services Agreement.

No. 80-0213 — Resolution approving Contract No. 1204, Fire Station No. 1, approval of schematic plans, revised construction budget and amendment No. 1 to Young and Associates, A.I.A. Professional Services Agreement.

Mr. Heath asked Mr. Young of Young & Associates to give a presentation regarding his proposed plans for the fire house.

Commissioner Coblentz said that the Consultant, Mr. Friedman, suggested that the conference room be made smaller.

Mr. Turpen said Mr. Friedman had recommended $50,000 worth of deletions.

Commissioner Bernstein asked if the $1.6 million included the site preparation work.

Mr. Heath said that most of that cost would be attributable to this project. Mr. Heath said that it is basically correct to say that the total cost will be approximately $2 million.

The architect added that he had spoken with the design consultant who suggested that some money could be saved; there is an alternate plan if we run into a money problem, i.e., making a flat roof.

Commissioner Bernstein asked how many men were on a shift during the day, and was told that normally a dorm would be built to house 36 beds while this one is designed for 14.

Commissioner Bernstein asked if the "hot bed" design wasn't designed years ago. He then asked how many pieces of apparatuses were at the firehouse.

Chief Knutley of the Fire Department, pointed out the number of apparatuses in the garage.

Commissioner Kadish said that although she appreciates the problem of costs, Mr. Young was planning to use friction piles. She asked if there would be some sinking.

Mr. Young said that if the piles were to go to bedrock, sinking would be minimized, but that Commissioner Kadish was correct in assuming there would be some sinking with the friction piles.

Commissioner Kadish asked how much of the $1.6 million cost goes to the foundation and friction piles?

Mr. Young said that the cost of the piles was $110,000.00.

Commissioner Fleishell said that this was not an example of good planning, because the building would not be able to accommodate additional vehicles if they were required at a later date.

Commissioner Bernstein asked if there would be any possibility of reconstructing the present facility.

Mr. Heath said that wouldn't be possible because the existing facility should be torn down.

Commissioner Goosby asked if the Airport planned for future enlargement, wouldn't costs go up.

Mr. Heath said they would.

6. Policies/Operational Decisions (continued)

Commissioner Coblentz said that he would like the resolution approved with the addition that changes in the plan be subject to Mr. Friedman's approval.

Commissioner Bernstein said that he would like it noted that Mr. Young has attempted to design the building so that there would have to be no modifications made which would increase cost.

Mr. Young said that he was confident that if the project can be started soon, it would be built within subject.

Commissioner Kadish said that she hoped that as the work on the firehouse progressed, every opportunity would be used to map utility lines as they were uncovered.

* * *

The following resolution was unanimously adopted:

(7) Contract No. 1200A, Central Terminal Modernization, Site Preparation Work, Award of Contract, $1,489,000.

No. 80-0214 — Resolution awarding Contract No. 1200A to F. P. Lathrop Construction Company in the total amount of $1,489,000.00.

Mr. Richard Heath said that the Human Rights Commission met last on the acceptability of various firms' affirmative action programs but did not make a decision. He said that Commissioner Fleishell had a suggestion as to how this matter might be treated. Commissioner Fleishell ha d suggested that the Airport agree to accept whichever firm HRC found had an acceptable affirmative action program.

Commissioner Goosby agreed that it be awarded to the low bidder.

Mr. Heath said that delay would be costly and said he had informed the HRC of that; Mr. Yuen had appeared at the HRC meeting. Mr. Heath said the Commission had three choices: (1) take no action until HRC acts; (2) award the contract to Lathrop if they are approved by HRC; if they are not, then the Commission would have to hold a special meeting; or (3) award the contract to the lowest bidder approved by HRC.

Commissioner Coblentz moved that the Commission follow the last course of action. This was seconded by Commissioner Goosby.

* * *

6. Policies/Operational Decisions (continued)

The following resolution was unanimously adopted:

(8) Award of Contract No. 1273, Additional Roadway Signing, $107,500.00.

No. 80-0215 — Resolution awarding Contract No. 1273, Additional Roadway Signing, to Homer J. Olsen, Inc., P. O. Box 993, 2726 Lynch Way, Union City, CA 94587, in the amount of $107,500.

Mr. Heath said the additional Roadway Signing received one bid from the Olsen Company and he recommended acceptance.

Commissioner Kadish said when there is only one bidder, there is no competitive factor.

Mr. Heath said that the staff had done everything possible to get potential bidders, but in certain types of contracts and at certain times it is difficult to get bids.

* * *

The following resolution was unanimously adopted:

(9) Handicapped Employment Opportunity.

No. 80-0216 — Resolution directing staff to examine opportunities for employment of the handicapped at San Francisco International Airport.

Mr. Heath said that in reviewing plans it was decided that we could reduce costs by hiring the handicapped individuals.

* * *

7. Consent Calendar of Routine Administrative Matters.

The following resolutions were unanimously adopted:

(10) Bid Call for Airport Contract No. 1348, Emergency Airfield Pavement Repairs, 1980-81.

No. 80-0217 — Resolution approving scope, budget, and schedule and authorizing Director of Airports to call for bids for Airport Contract No. 1348, Emergency Airfield Pavement Repairs, 1980-81.

7. Consent Calendar, Routine (continued)

(11) Modification No. 2 to Professional Services Agreement for Testing and Analysis of Waste Water Samples, Pacific Environmental Laboratory.

No. 80-0218 — Resolution amending the scope of services to be performed in the laboratory testing and analysis contract to include jar testing and bench scale flotation test on an hourly time charge basis. No additional funds required.

* * *

8. Consent Calendar of Contract Modifications.

The following resolutions were unanimously adopted:

(12) Airport Contract No. 936, Industrial Waste Treatment Plant, Modification No. 6 (Debit), $23,324.28.

No. 80-0219 — Resolution approving and requesting the Controller's certification of Debit Modification No. 6 in the amount of $23,324.28. The contractor for this work is Piombo Corporation.

* * *

(13) Airport Contract No. 1000, Modification No. 82 (Debit), Garage: Stage IV - Superstructure Addition, $10,485.00.

Item No. (13) was removed from the Calendar.

* * *

8. Consent Calendar of Contract Modifications (continued).

(14) Airport Contract No. 1015, Modification No. 18 (Debit), Garage: Stage V Final Modifications, $23,695.79.

No. 80-0220 — Resolution approving and requesting the Controller's certification of debit Modification No. 18 to Airport Contract No. 1015, Garage: Stage V - Final Modifications in the total amount of $23,695.79.

Commissioner Kadish called attention to the memo concerning Item 13. She said that certain important specifications appear to have contract documents. She said she would hope that would never happen again.

Mr. John Caproni of CMC said that the documentation had not been complete at the time the work began.

Mr. Heath said that the problem was not with the contractor but with the contract documents.

Commissioner Fleishell said he would like to know what steps the staff is taking to make sure this kind of problem does not occur again.

Mr. Heath said one of the main things we have done is to get a different architect.

Commissioner Coblentz suggested that they vote on Items 12 and 14 and put over Item 13.

* * *

9. Trailing Calendar of Old Business.

There was no discussion of items on the Trailing Calendar.

* * *

10. Adjournment.

The meeting adjourned into executive session at 3:28 p.m.

Eric Craven
Commission Secretary

SAN FRANCISCO AIRPORTS COMMISSION

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MINUTES

Tuesday, September 16, 1980

DIANNE FEINSTEIN, MAYOR

COMMISSIONERS

MORRIS BERNSTEIN
President
WILLIAM K. COBLENTZ
Vice-President
RUTH S. KADISH
DR. Z.L. GOOSBY
J. EDWARD FLEISHELL

RICHARD R. HEATH
Director of Airports

San Francisco International Airport
San Francisco, California 94128

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MINUTES
OF THE
AIRPORTS COMMISSION
MEETING

Tuesday, September 16, 1980

1. Call to Order:

The regular meeting of the Airports Commission was called to order at 2:01 p.m., in Room 282, City Hall, an Francisco, California.

* * *

2. Roll Call:

Present:	Commissioners Morris Bernstein. Ruth S. Kadish, Zuretti L. Goosby, J. Edward Fleishell.
Absent:	Commissioner William K. Coblentz.

* * *

3. Adoption of Minutes:

There were no Minutes before the Commission for adoption.

* * *

4. Special Items.

(1) Election of Officers.

No. 80-0221	Commission resolution electing Commissioner Bernstein as President and Commissioner Coblentz as Vice President.

* * *

The following resolution was unanimously adopted:

(2) Memorial Resolution: James Kennedy Carr.

No. 80-0222 — Resolution in memory of James Kennedy Carr, first Director of San Francisco International Airport.

Mr. Louis Turpen, Acting Director of Airports, recounted Mr. Carr's tenure at SFIA, and requested that when the meeting was to be adjourned, it be adjourned in memory of Mr. Carr.

Commissioner Bernstein directed that a resolution be adopted and presented to Mr. Carr's widow.

* * *

5. Public Hearing.

The following resolution was unanimously adopted:

(3) Chief Harold Barker.

No. 80-0223 — Resolution recognizing Chief Barker's outstanding contribution to the Airport.

Mr. Turpen said that Mr. Barker had been brought in to try to improve the working relations between San Mateo County and the Airport Police. Mr. Turpen said that Mr. Berker had worked with the Airport for the past 18 months and has made a great contribution. Mr. Turpen said that he commended Mr. Barker on his performance. Mr. Turpen added that Mr. Barker will return to assume his duties as Assistant Chief of San Mateo County Police.

Mr. Barker spoke and related his appreciation for the cooperation received from the Airports staff.

Commissioner Bernstein added his appreciation for Mr. Barker's performance.

Commissioner Fleishell added his commendations.

Commissioner Kadish seconded the comments.

Commissioner Goosby said he appreciated the work done by Mr. Barker.

Mr. Robert Quinn spoke saying that he disagreed with the resolution.

* * *

(4) Landing Fee Charges for Fiscal Year 1980-81.

Item (4) had been removed from the Calendar.

* * *

Commissioner Fleishell requested that the Public Hearing on Item (5) occur as the last item on the Calendar.

* * *

The following item was unanimously adopted:

(6) Amendment to Rules of Order.

No. 80-0224 — Resolution amending Rule 18 of the Airports Commission's Rules of Order to provide that each person given the privilege of the floor to speak on an item on the Commission's agenda shall be heard once for not less than three minutes.

Mr. Turpen said the proposed resolution is in furtherance of Commission Policy whereby the public can address the Commission outside of a public hearing.

Commissioner Goosby asked that the Director return to the Commission with a policy statement that once the Commission agenda is sent out to the Commission,nnothing can be removed from it except at a Commission meeting.

* * *

6. Director's Reports.

(7) Central Open Space, Parking Garage.

Item (7) had been removed from the Calendar.

* * *

(8) Remodeling of the Engineering Building.

Item (8) had been removed from the Calendar.

* * *

7. Items Initiated by Commissioners.

(8a). Impact of FAA Affirmative Action Regulations on the Airport.

Commissioner Goosby asked Mr. Turpen if he could get from our legal counsel our outline of the responsibility of the Commission under the new affirmative action regulations. He said that he was concerned with those concessions that were granted exclusive concessions for more than 5 years. Commissioner Goosby said it was his understanding that a public agency could take certain actions if concessions were not employing women or minority women.

(8b) Hazardous Materials.

Commissioner Kadish said that in light of the congressional hearings on hazardous materials regulations, where do San Francisco's regulations agree with and differ from the Minneapolis/St. Paul regulations.

Mr. Turpen stated he would get that information for the Commission.

* * *

(9) Airport Shuttle Bus Service.

Item (9) had been removed from the Calendar.

* * *

8. Agenda Items Involving Airport Policies or Major Operational Decisions.

The following resolutions were unanimously adopted:

(10) FAA Control Tower, Central Terminal.

No. 80-0225	Resolution approving a concept to construct a new control tower at Central Terminal. Tower will be built in two phases: Phase I will incor orate into the Central Terminal Modernization project a tower structure from piling up to the platform for a new cab. Phase II will install, under a separate contract, a cab on top of the platform provided in

(11) Modification No. 8 to Gensler & Associates, Professional Services Agreement, $240,000.00.

No. 80-0226 — Amendment No. 8 to Gensler and Associates' Agreement to include professional services for the new Control Tower to be located atop the Central Terminal. Amount to be certified through completion of construction documents: $240,000.00.

(12) Extension of Lease on FAA Control Tower.

No. 80-0227 — Interim month-to-month extension pending finalization of new FAA leasehold terms and conditions.

* * *

The following resolution was unanimously adopted, as amended:

(13) North Terminal Concession Development, Phase 2, General Plan.

No. 80-0228 — A plan to develop eighteen (18) new concession locations in the North Terminal, including a beads kiosk, perfume kiosk, art gallery/ shop, california shop (2), newsstand/ gift shop (2), personalizing shop, cookies kiosk, nuts and dried fruits kiosk, delicatessen/restaurant, ice cream parlor, snack bar: cocktail lounge, crab kiosk, flower cart, and two undetermined snack food kiosks to be developed by Host International under a MBE/WBE plan. Resolution authorizing Director to proceed with implementation of the general plan.

Mr. Turpen outlined the new concessions and their anticipated locations.

Commissioner Kadish said, referring to a question raised earlier by Commissioner Goosby, that in asking for an opinion from Airports General Counsel Garibaldi, the response could be pertinent to these new developments because there were many small business opportunities which could be opportunities for women and small businesses.

Commissioner Goosby said that in addition a memo from the Director had proposed a policy regarding women-owned and small businesses based on the City Attorney's opinion that the Airport could have a set-aside for small businesses. Commissioner Goosby said that that has not come back to the Commission, and he would like to see the Director finalize his recommendation regarding small business. He said he also hopes that the Human Rights Commission (HRC) would check on Duty Free Shoppers and Host to see what their affirmative action plans are before being given an additional 300 square feet.

Commissioner Fleishell said that a consultant had been hired to advise the Commission as to what should go into the North Terminal and his advice had not been accepted.

Commissioner Bernstein said he has worked on the development of this and asked Commissioners Fleishell and Goosby what they would put in the North Terminal.

Commissioner Goosby said he did not question the appropriateness of most of the concessions but he did question how good an idea the art gallery was.

Commissioner Kadish said that she did not want to hold the matter over for another meeting because each delay holds matters up for months.

Commissioner Goosby requested that the second 'resolved' clause be deleted.

The Commission concurred.

* * *

8A. Recess.

The Commission took a recess beginning at 2:42 p.m.

* * *

The meeting reconvened at 2:52 p.m.

* * *

8. Agenda Items Involving Airport Policies or Major Operational Decisions (cont.)

The following resolution was unanimously adopted:

(14) North Terminal Cleaning Service Contract, Modification No. 2, $100,000.00.

No. 80-0229 — Resolution approving Modification No. 2, North Terminal Cleaning Service contract with Bekins Building Maintenance Company.

Modification No. 2 in the amount of $100,000 is required to complete the existing contract to September 30, 1980 pending approval of the new contract by the Board of Supervisors.

8. Agenda Items Involving Airport Policies or Major Operational Decisions (continued)

Commissioner Goosby asked why this contract was costing an additional $100,000.00 when the Airport knew the contract was going to end September 30.

Mr. Turpen said that the original modification had been designed to carry the contract through to September 22nd but the new oontractor will not start until October 1st and that was why the additional $100,000 was needed.

* * *

(15) United Airlines Plot 5 Lease Extension.

Item (15) had been removed from the Calendar.

* * *

9. Consent Calendar of Routine Administrative Matters.

The following resolution was unanimously adopted:

(16) Extension of Contract for North Terminal Automation and Temperature Control System.

No. 80-0230 — This resolution will authorize a no cost time extension of the contract between the City and County of San Francisco and Honeywell, Incorporated for the full service and complete maintenance of the automation and temperature control system of the North Terminal Building.

* * *

The following resolution was adopted 3 ayes (Bernstein, Kadish, Goosby) to 1 nay (Fleishell).

(17) Airport Art Acquisition Program, Fred Eversley's Sculpture, $136,800.0.

No. 80-0231 — Resolution approving expenditure of funds for sculpture already approved by the Joint Committee of the Art Commission and the Airports Commission.

Commissioner Fleishell said he considers this a scandalous waste of money. He said that the Mayor may have rescinded her letter blocking expenditures for art, but he knew that the Mayor still opposes wasting money.

Commissioner Kadish said that the commission to do the piece was given to Mr. Eversley back in February, and that it was an oversight that this item was not included in the last Airports Commission resolution approving various works of art. Commissioner Kadish said the Mayor was informed that there had been commitments made and the Mayor had written saying those commitments would be honored. Commissioner Kadish said the Mayor is aware of this proposed action and has approved it. Commissioner Kadish said that money earmarked for art at the Airport will be lost if it was not expended for art.

* * *

The following resolutions were adopted 3 ayes (Kadish, Goosby, Fleishell) to 1 nay (Bernstein):

(18) Airport Contract No. 1000, Modification No. 82 (Debit), Garage: Stage IV - Superstructure Addition, $10,485.00.

No. 80-0232 — Resolution approving and requesting the Controller's certification of debit modification No. 82 to Airport Contract 1000, in the total debit amount of $10,485.00.

(19) Airport Contract No. 1000, Modification No. 83 (Debit), Garage: Stage IV - Superstructure Addition, $23,493.00.

No. 80-0233 — Resolution approving and requesting the Controller's certification of debit modification No. 83 to Airport contract 1000, in the total debit amount of $23,493.00.

(20) Airport Contract No. 1015, Modification No. 19 (Debit), Garage: Stage V - Final Modifications, $15,491.13.

No. 80-0234 — Resolution approving and requesting Controller's certification of debit modification No. 19 to Airport Contract No. 1015, Garage: Stage V, Final Modifications, in the net amount of $15,491.13. The contractor for this project is Titan Pacific Construction Corporation.

* * *

5. Public Hearing (continued):

The following matter was heard and discussed and subsequently, further consideration was postponed to a future meeting.

(5) Tenant Improvement: Japan Airlines, Air Cargo Facility at Plot 50-B-1, Phase I, $7,000,000.00.

Resolution approving the final plans and specifications submitted by Japan Airlines showing the Phase I portion of their Air Cargo Building to be constructed on Plot 50-B-1, authorizing a rental credit not to exceed $400,000 to relocate Airport utilities and facilities as required to permit the construction to proceed and authorizing Director of Airports to prepare and execute a permit to allow Japan Airlines to enter and construct on Plot 50-B-1 prior to finalization of the lease agreement.

Mr. Turpen said the matter before the Commission involves two elements: the EIR statement prepared by the Planning Commission and the Tenant Improvement of Japan Airlines to construct an air cargo facility.

Commissioner Kadish said the Commission has taken the position of approving the Joint Land Use Study recommends a specific mitigation program to contribute to noise reduction and as far as the Commission has adopted that in principle, the Commission would have to accept certain mitigation measures. She said her concern was that the Planning Commission had approved the EIR but it said there could be an effect on the environment if there was an increase in nighttime flights. She asked how the Airport was going to monitor for possible increased noise and how was it going to enforce a lower number of nighttime flights.

Mr. Turpen said he thought it would be appropriate to hear from Mr. Frank Nakashima of Japan Airlines.

Mr. Nakashima pointed out the positive impact the proposed facility would have on the economy.

Commissioner Kadish asked if JAL would comply with any rule providing it was safe and nondiscriminatory.

Mr. Nakashima said that they would.

Mr. Terry Burns, San Mateo County Planning Department, representing the Airport Land Use Commission said the project should not proceed without a commitment to take steps to reduce noise.

Ms. Linda Dyson of the North County Committee for a Quieter Airport made a statement that there had been many hearings and promises made to deal with Airport noise, but no changes had been made. She said that a lawsuit would be forthcoming. (A copy of Ms. Dyson's remarks as she summarized them are attached to the master copy of these Minutes on file in the Commission Secretary/s office.)

Ms. Roseann Emerson of the Seramonte Home Owners Association said her association was opposed to approval of this matter.

Ms. Amita Maraviglia of Airport Impact Reduction Force (AirForce) said that approval of this matter will lead to significant increase in noise and she requested that approval of this project be made only if Commission can offset the negative noise effects. (A copy of AIRForce's letter is attached to the master copy of these Minutes on file in the Commission Secretary's office.)

Ms. Joyce Spence of the North County Committee for A Quieter Airport read a statement which said that it was obvious that the proposed cargo facility would not lead to reduced nighttime flight noise, air pollution and traffic congestion. (A copy of Ms. Spence's statement is attached to the master copy of these Minutes on file in the Commission Secretary's office.)

Ms. Jackie Greer of Flying Tigers said the scope of the project is merely to replace the existing facilities.

Paul Kels, Project Manager of Flying Tigers said that the number of flights used are marketing numbers and are extremely optimistic.

Commissioner Bernstein said the matter should be taken under advisement.

Commissioner Kadish said before any resolution is prepared, there should be discussion on the matter.

Commissioner Fleishell said this is the first time there has been an application like this. He wondered if other Commissions had placed conditions on their approval of items and he wondered if the Airport has authority to place limitations on projects it approves.

Mr. Garibaldi said his office was looking into that matter now and will have an answer within the next week or 10 days.

Eric Craven, the Commission Secretary, said that additional comments could be added to the public record if anyone chose to submit them. (Letters by Mr. John Ward of the San Mateo Board of Supervisors and David Hale of the Airport Land Use Commission are attached to the master copy of these Minutes on file in the Commission Secretary's office.)

* * *

1. Trailing Calendar of Old Business.

There was no discussion of the items on the Trailing Calendar.

* * *

12. Adjournment of Meeting.

Mr. Turpen suggested that the meeting adjourn in memory of Mr. Carr and there being no further business before the Commission, the meeting was adjourned at 4:04 p.m.

Eric Craven
Commission Secretary

SAN FRANCISCO AIRPORTS COMMISSION

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MINUTES

Tuesday, October 7, 1980

DIANNE FEINSTEIN, MAYOR

COMMISSIONERS

MORRIS BERNSTEIN
President
WILLIAM K. COBLENTZ
Vice-President
RUTH S. KADISH
DR. Z.L. GOOSBY
J. EDWARD FLEISHELL

RICHARD R. HEATH
Director of Airports

San Francisco International Airport
San Francisco, California 94128

MINUTES
OF THE
AIRPORTS COMMISSION
MEETING

Tuesday, October 7, 1980

1. Call to Order:

The regular meeting of the Airports Commission was called to order at 2:00 p.m., in Room 282, City Hall, San Francisco, California.

* * *

2. Roll Call:

Present:	Commissioners Morris Bernstein, William K. Coblentz*, Ruth S. Kadish, Zuretti L. Goosby.
Absent:	Commissioner J. Edward Fleishell.

* * *

3. Adoption of Minutes:

The following resolution was adopted by order of the Commission President:

No. 80-0235	Resolution adopting the Minutes of the September 2, 1980 Commission Meeting.

* * *

4. Director's Reports:

(1) Progress Report on FIRM.

Mr. Heath, Director of Airports, said that this is the final report regarding FIRM and the System was now in use and for the first time, the Airport had an adequate accounting system.

*Commissioner Coblentz arrived at 2:06 PM during discussion of Item (1A).

(1A) Glass Exhibit.

Mr. Heath said there was an opportunity to procure a glass exhibit with display cases that the Fine Arts Museum had previously contracted for.

Commissioner Goosby asked how much it would cost.

Mr. Heath said it would cost about $55,000. He said the Fine Arts Museum has requested the Airport to take a look at the possibility. He said the Airport does have adequate funds available.

Commissioner Kadish said that having this exhibit would put the Airport among important cities to which the exhibit has toured.

Mr. Heath said that the exhibit could be displayed throughout the Airport, and that it comes with its own security.

Commissioner Goosby requested further explanation of how the approximately $60,000 fee would be paid.*

He said that the money would come from funds authorized by the Board of Supervisors.

Commissioner Goosby said that he wanted the record to show that he had serious questions about an exhibit which will cost sixty thousand dollars and which would primarily be available for people from the Peninsula to see.

Mr. Heath said the money would come out of the Airport funds and not City funds, and that if the Airport does not take it the exhibit would not come to San Francisco at all.

Commissioner Kadish asked if, during Mr. Heath's discussion with the Fine Arts Museum people there had been any discussion of whether it would be possible to have a notice placed in the Fine Arts Museum about the exhibit so that the San Francisco public would know about it.

Mr. Heath said there would be some glass-making activities going on at the same time as the exhibit.

Commissioner Goosby said he wants the record to show that he raised some question about it.

Commissioner Kadish said this would certainly be in line with the Commission's policy adopted sometime ago regarding humanizing the Airport.

* * *

*It was at approximately this point that Commissioner Coblentz arrived.

5. Items Initiated by Commissioners.

The following resolution was unanimously adopted:

(2) Resolution Establishing Airports Commission Policy Regarding Items on the Commission Calendar.

No. 80-0236 — Resolution establishing policy of Airports Commission that an item of business on its agenda for a regular or special meeting may be taken off calendar or continued only by action of the Commission taken at the meeting.

* * *

(2A) Bid Forms for Construction Contracts.

Commissioner Kadish inquired how long it has been since the bid forms and instructions had been updated. She asked that the forms be analyzed by Jason Yuen, Director of the Bureau of Terminal Construction and Mr. Don Garibaldi, Airports General Counsel and a recommendation be made.

* * *

(2B) Minority Business Enterprises.

Commissioner Goosby said that Mr. Heath was supposed to make a recommendation regarding a policy about minority business enterprises and a possible set-aside for small business.

Mr. Heath said that he would have a recommendation ready for the next Commission meeting.

* * *

(2C) Audit of Concessions.

Commissioner Coblentz said he had received a letter from a CPA which raises some questions regarding Airport procedures. He asked if the Airport has hired an auditor.

Mr. Peter Singer, Deputy Director for Business and Finance, said that he was preparing a professional services agreement.

* * *

Commissioner Coblentz asked if this service had been awarded yet.

Mr. Singer said not yet.

Commissioner Coblentz said the matter warranted a full discussion.

* * *

(2D) Review of Concessions.

Commissioner Coblentz said he had one part listing of the revenues for certain concessions. And he wondered, on the basis of the report, if certain concessions should be allowed to continue or if the space they occupy couldn't be put to better uses.

Mr. Singer said that the figures were for the fiscal year and that some businesses, such as the Flying Crab had only opened in May or June.

Mr. Heath said that some of the businesses operate on permits which can be terminated at the end of the year.

Commissioner Bernstein said that concessionaires should make monthly payments at least equal to one-twelfth of their yearly guarantee.

Mr. Heath said that payments were made according to the terms of the leases.

Commissioner Bernstein said the leases were not drawn as well as they should be.

* * *

9. Public Hearing.

(20) Landing Fee Charges, Fiscal Year 1980-81.

Resolution approving Landing Fee Charges for Fiscal Year 1980-81.

Mr. Heath said he had discussed this item with the airlines in the last week and he suggested there be a public hearing on the issue but that the Commission not take action.

Mr. Paul Van Wert, representing the airlines public affairs committee said the airlines would like the item put over until there are further discussions with Mr. Heath and the Commission.

Commissioner Coblentz said the Airport would be going ahead with its building program so that international travelers will have a facility as good as the North Terminal.

Mr. William Jamison of American Airlines said it had been about a year since a lawsuit had been filed by some airlines and he felt that passage of this resolution would not be condusive to an atmosphere for settling that suit.

Commissioner Bernstein said that the Commission would consider the item at a future meeting.

* * *

6. Agenda Items Involving Airport Policies or Major Operational Decisions.

The following resolution was unanimously adopted:

(3) Tenant Improvement: Japan Airlines Air Cargo Facility at Plot 50-B-1, Phase I, $7,000,000.00.

No. 80-0237 — Resolution approving the final plans and specifications submitted by Japan Airlines showing the Phase I portion of their Air Cargo Building to be constructed on Plot 50-B-1, authorizing a rental credit not to exceed $400,000 to relocate Airport utilities and facilities as required to permit the construction to proceed, and authorizing Director of Airports to prepare and execute a permit to allow Japan Airlines to enter and construct on Plot 50-B-1 prior to finalization of tne lease agreement.

Mr. Heath said that the Airport's basic approach to the impacts of the proposed facility would be to try to limit nighttime noise produced.

Mr. Jeff Pector, representing the Airport Labor Coalition, spoke in support of the facility, and said his organization would reserve its comment on individual noise mitigation measures until those measures had been fully developed.

Mr. Frank Rosas, a JAL employee and union spokesperson said that at present workers had to work out in the rain during the rainy season and if this facility were constucted, working conditions would be improved.

Councilwoman Roberta Teglia, Vice Chair of the Joint Powers Authority for Airport Compatability, read a statement in opposition to moving forward with the proposed facility until an adequate mitigation plan had been developed. (The original copy of Ms. Teglia's statement is attached to the master copy of these Minutes on file in the Commission Secretary's office.)

Commissioner Kadish said she believed that the last two paragaphs of the proposed resolution were good additions, but wished that there was mention of single event noise and mention of monitoring and reporting back to the Commission.

Mr. Heath said that regarding single event incidents, Airports General Counsel and the FAA have made it clear that the FAA would not approve. Regarding monitoring and reporting back, Mr. Heath felt that it was inherent in the whole process that the Commission would receive reports about how the Airport was meeting the noise objectives set by the Commission.

Commissioner Kadish said she has requested information as to how the Airport staff was progressing with an air cargo master plan.

Mr. Heath said he would be coming back shortly with that.

Commissioner Goosby asked if there had been a resolution passed by the Board of Supervisors regarding growth of the Airport.

Mr. Heath said that in 1976 there had been one 'Whereas' clause relating to that, but it had been amended out.

Commissioner Goosby said that he did not look at the proposed facility as growth, but rather as an improvement.

Ms. Roseann Emerson of the Serramonte Homeowners Association said that there had been no study of safety for people living in the flight paths. She said that nearby residents' health is not considered.

Lynda Dyson of the North County Committee for a Quieter Airport said that the U.S. Supreme Court refused to free the L.A. Airport from responsibility for noise impacts on airport neighbors.

* * *

The following resolution was unanimously adopted:

(4) Japan Airlines - Cargo Facility on Plot 50B.

No. 80-0238 — Resolution authorizing Director to execute a 20-year lease of Plot 50-B with Japan Airlines for use as a cargo facility. Rental to be at the rate of $12,500 per acre per year for the first five years, with adjustments every five years based on fair market value appraisal by the S.F. Director of Properties.

* * *

The following resolution was unanimously adopted:

(5) South Terminal Improvements - Rental Credit.

No. 80-0239 — Resolution authorizing the rental credit to be awarded to Pan American World Airways for various improvements to the South Terminal, not to exceed $225,000.

* * *

The following resolution was unanimously adopted:

(6) Revised Terminal Master Plan and M & R Program, Master Schedule and Budget.

No. 80-0240 — Resolution approving the August 1980 update of the SFIA Terminal Master Plan and the August 29, 1980 M & R Program Master Budget and Master Schedule, Revision 1. The new documents incorporate all Commission approved changes and staff recommended revisions.

* * *

The following resolution was unanimously adopted as amended:

(7) Support of Continental and Western Airlines.

No. 80-0241 — Resolution supporting merger of Continental Airlines and Western Airlines and instructing Director of Airports to take appropriate action indicating such support to Civil Aeronautics Board and other agencies.

Commissioner Goosby said that the Commission resolution would not indicate support of a merger proposal but rather simply not object to that proposal.

* * *

(8) Appointment of Willis A. Casey.

No. 80-0242 — Resolution approving appointment of Willis A. Casey as Chief of the Airport Police Division, San Francisco International Airport.

Mr. Heath said Chief Casey was selected from a panel of Candidates and was found to be clearly the highest ranking among them.

* * *

The following resolution was discussed and subsequently put over to a future meeting:

(9) Professional Service Agreement -Melillo and Russell, Cultural Arts Activities - Winter/Spring/Summer 1980-81, not to exceed $20,000.

These services will include planning, programming, selection and publicizing performing individuals and group representative of San Francisco cultural and performing arts. Total budget for all activities is not to exceed $20,000.00.

Commissioner Coblentz said he had reservations about this proposal since he had just voted support of the other exhibit and had questions about spending another $20,000.

Commissioner Kadish said she would like to put this over until we can get a breakdown of all the figures.

Mr. Singer suggested that if the item was put over, it would force cancellation of Christmas activities.

* * *

The following resolution was unanimously adopted:

(10) Award of Contract No. 1344, Moving Sidewalk and Core Signs, North Terminal and Garage, $19,809.00.

No. 80-0243 — Resolution awarding Contract No. 1344, Moving Sidewalk and Core Signs, North Terminal and Garage, to Thomas Swan Signs Company, 1117 Howard Street, San Francisco, CA 94103, in the amount of $19,809.00.

* * *

7. Consent Calendar of Routine Administrative Matters.

The following resolutisns were unanimously adopted:

(11) Declaration of Emergency.

No. 80-0244 — Ratification of a Declaration of an Emergency, Emergency Repair of Fire Protection Main, $12,500.00.

(12) Bid Call for Airport Contract No, 1204A, Utilities for Fire Station No. 1.

No. 80-0245 — Resolution approving final plans and specifications and authorizing the Director of Airports to call for bids for Contract No. 1204A, Utilities for Fire Station No. 1.

(13) Bid Call for Airport Contract No. 1204B, Pavement Overlay, Plot 10A.

No. 80-0246 — Resolution approving final plans and specifications and authorizing Director of Airports to call for bids for Contract No. 1204B, Pavement Overlay, Plot 10A.

(14) Bid Call, Contract No. 1326, Replacement of Light Poles, Parking Lots 'C, and 'D'.

No. 80-0247 — Resolution approving the final plans and specifications and authorizing the Director of Airports to call for bids for Airport Contract No. 1326, Replacement of Light Poles, Parking Lots 'C' and 'D'.

(15) Airport Contract No. 996, Rejection of Bids and Authorization for New Bids.

No. 80-0248 — Resolution rejecting all bids received for Airport Contract No. 996, Extension of Power and Telephone Service to Plot 3-B and authorizing the Director to readvertise for new bids.

(16) Professional Services Agreement, International Testing Methods, Inc., Not to Exceed $5,000.

No. 80-0249 — Resolution approving the Professional Services Agreement with International Testing Methods, Incorporated, P. O. Box 48124, Seattle, Washington, 98166, to provide specialized testing and evaluation services.

(17) Airport Contract No. 1141, Fuel Reserve Tanks, Central Heating and Cooling Plant, Modification No. 2 and Completion of Contract at no Cost.

No. 80-0250 — Resolution accepting the work under Airport Contract No. 1141, Fuel Reserve Tanks - Central Heating and Cooling Plant, as satisfactorily completed; extending the completion date from March 26, 1979 to September 3, 1980 and approving final payment in the amount of $9,500.00 in favor of the contractor Eagan and Paradiso Construction Company, 9220 "G" Street, Oakland, CA 94603.

(18) American Locker Company Lease Modification.

No. 80-0251 — Resolution approving the modification of Lease of American Locker Company, to add certain demised premises.

* * *

8. Consent Calendar of Contract Modifications.

The following resolution was adopted 3 ayes (Coblentz, Kadish, Goosby) to 1 nay (Bernstein):

(19) Airport Contract No. 1000, Modification No. 84, (Debit), Garage: Stage IV - Superstructure Addition, $16,930.00.

No. 80-0252 — Resolution approving and requesting the Controller's certification of debit Modification No. 84 to Airport Contract No. 1000, in the total debit amount of $16,930.00.

* * *

10. Trailing Calendar of Old Business.

(20A) Valet Parking.

Commissioner Coblentz asked if the Airport was still losing money on valet parking. He said if it was, he would attempt to get rid of it.

* * *

(20B) Parking Between South and Central Terminals.

Commissioner Coblentz asked if the Airport would be charging for parking in the court between the South Terminal and the Central Terminal.

Mr. Heath said he would get a report on that.

* * *

(20C) Rules for Information Booths.

Commissioner Kadish said she thought there was going to be a recommendation regarding amending the rules for information booths.

* * *

11. Adjournment of Meeting.

There being no further business before the Commission, the meeting was adjourned at 3:28 p.m.

Eric Craven
Commission Secretary

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MINUTES

Tuesday, October 21, 1980

DIANNE FEINSTEIN, MAYOR

COMMISSIONERS

MORRIS BERNSTEIN
President
WILLIAM K. COBLENTZ
Vice-President
RUTH S. KADISH
DR. Z.L. GOOSBY
J. EDWARD FLEISHELL

RICHARD R. HEATH
Director of Airports

San Francisco International Airport
San Francisco, California 94128

MINUTES
OF THE
AIRPORTS COMMISSION
MEETING

Tuesday, October 21, 1980

1. Call to Order:

The regular meeting of the Airports Commission was called to order at 2:06 p.m., in Room 282, City Hall, San Francisco, California.

* * *

2. Roll Call:

Present:	Commissioners Morris Bernstein, William K. Coblentz, Ruth S. Kadish, Zuretti L. Goosby, J. Edward Fleishell.
Absent:	None.

* * *

3. Adoption of Minutes:

The following resolution was adopted by order of the Commission President:

No. 80-0253	Resolution adopting the Minutes of the September 16, 1980 Commission Meeting.

* * *

4. Director's Reports:

(A1) Aviation Safety Institute Award.

Mr. Heath made an announcement that for the third time in a row, SFIA had been selected by the Safety Institute to receive the Crash, Fire and Rescue Medical Preparedness Award, and that San Francisco was the only airport among the five largest to receive this.

4. Director's Reports (continued)

(1) Updating and Revision of General Provisions of Standard Specifications.

Mr. Heath said that in response to Commissioner Kadish's request that construction contracts be reviewed, Airport staff hoped to have a draft ready for Commission consideration at the November 18th meeting.

(2) Central Open Space of Parking Garage.

Mr. Heath said that the Airport staff's present conclusion on use of the central open space, after working witn Howard Friedman, is that the space will be used for the taxi operation.

* * *

5. Items Initiated by Commissioners.

(2A) Valet Parking.

Commissioner Coblentz said that if the current revenue figures for valet parking are correct, we should abolish valet parking.

Mr. Heath said staff will look at the latest figures and analyze them. He said questions have been raised as to whether the figures give a true picture of the actual operation.

* * *

(2B) Liability Insurance.

Commissioner Coblentz said that he understood that bids were being solicited for liability insurance. He said some questions had been raised about the bid specifications by Commissioner Kadish and additionally, as he understood it, prospective bidders only had four days to prepare their bids. He said the City should be advised that under no circumstances will the Airports Commission approve any procedures like that because every potential bidder must have enough time to prepare their bid.

5. Items Iniated by Commissioners (continued)

Commissioner Fleishell said that he didn't believe the Airport needed an insurance broker.

Commissioner Coblentz said that he remembers when the Airport was in the position that the Airport had to accept the given carrier or have no insurance. He didn't want that situation to occur again. He said the Commission would be willing to have a special meeting to review any proposals.

* * *

(2C) Charging for Filming at the Airport.

Commissioner Kadish asked what was the pricing policy for filming at the Airport. She said other City agencies charge a fee and she believes the Airport should develop a schedule of fees. She said other department's fees from filming go into the Mayor's youth fund which provides summer employment for young people. She said perhaps the Airport could divide the money with a percentage going to the Airport for special projects and the rest to the Mayor's fund.

* * *

6. Agenda Items Involving Airport Policies or Major Operational Decisions.

The following resolution was unanimously adopted as amended:

(3) Establishing Airport Commission Policy for Small Business Enterprise Set Aside Relative to Future Airport Concession Awards.

No. 80-0254 — Resolution establishing Airport Commission Policy for small business enterprise set aside relative to future Airport concession awards.

Mr. Heath said the staff's proposal was based on the City Attorney's opinion as to what can or cannot be done regarding small, minority and women-owned businesses. The Airport cannot specifically set aside concessions for minorities or women but can set aside concessions for small owner-operates businesses.

Commissioner Goosby felt a definition of what constitutes a small business should be added because the definition does not go into details of gross receipts, etc. He said that federal law has specific wording and asked whether it might be applicable to the Airport in view of recent Supreme Court decisions.

Mr. Don Garibaldi, Airport General Counsel, said he believed the law related to small business loans.

Mr. Heath said Item (4) specifically sets aside certain concessions under the policy.

Commissioner Fleishell said the Commission needed to have a clear view of what it was attempting to accomplish. He said the provision which requires a small business owner to work in that business not less than an average of 25 hours per week for a 14-week period during the life of the contract should be changed. If the Airport wishes to foster small businesses, the owner should be required to be present for the term of the contract.

Mr. Heath suggested that Item (3) be passed and that the concessions in Item (4) fall under the policy and then staff could develop specific definitions which would be presented at the November 4 meeting.

Commissioner Bernstein said he is willing to vote for the policy in principle but wanted to be sure any contracts that were awarded would come to the Commission.

Commissioner Kadish suggested that the Commission should adopt the resolution up to the last 'Resolved' and then staff should come back to the next meeting with language establishing the definitions. She said in that way the Commission would clearly express its commitment to the principle.

Commissioner Goosby cautioned the Commission to be careful in its efforts to build small businesses. He did not want the Commission to get someone who has no business background so that failure was built in to the effort.

* * *

The following resolution was unanimously adopted:

(4) Resolution Setting Aside Concessions.

No. 80-0255 — Resolution setting aside five concessions for bidding under Commission's Small Business Affirmative Action Policy.

Commissioner Bernstein said he thought this matter should be put over until the definitions in the preceding resolution were adopted.

Mr. Heath said that if the Commission approves these concessions, staff could enter into discussions with potential concessionaires and staff might possibly find that modifications of the terms of the agreements were needed.

Commissioner Kadish said that she wanted Mr. Howard Friedman, the Airport's architectural consultant to look at the enclosures before they were approved.

* * *

The following resolution was unanimously adopted as amended:

(5) Resolution Approving Food And Beverage Locations, North Terminal, Boarding Area E.

No. 80-0256 — Resolution approving food and beverage locations, North Terminal, Boarding Area E.

Mr. Heath said he would like to delete the Ice Cream Parlor from the resolution. He had hoped to have a proposal before the Commission today but had not been able to do so.

* * *

The following resolution was unanimously adopted:

(6) Airport Shuttle Bus Agreement.

No. 80-0257 — Resolution requesting City Purchaser to negotiate extension of Airport Shuttlebus Operating Agreement on an emergency basis.

* * *

The following resolution was unanimously adopted:

(7) Professional Services Agreement: Concessions Audits.

No. 80-0258 — Resolution authorizing the Director of Airports to enter into an agreement with Steven Yu and Company, Certified Public Accountants, for professional services in connection with the audit of major concessions and contractors for a fee not to exceed $30,000.00.

Commissioner Fleishell said it is unclear whether this firm will audit concessions and then Airport staff would also audit those same firms.

Mr. Peter Singer, Deputy Director for Business and Finance, said the contemplated examination is not an audit in the normal sense of the word, it is a compliance audit. He said when the outside auditor finishes, Airport staff could go back, using the working documents of the outside auditor and do the work in future years.

* * *

The following resolutions were unanimously adopted:

(8) Retirement Resolution for James Sorci.

No. 80-0259 — Resolution expressing thoughts on the retirement of James Sorci.

(9) Retirement of Ray Salazar, FAA.

No. 80-0260 — Resolution expressing appreciation for a job well done and wishing Ray Salazar continued health and happiness in his new assignment.

Retirement of Ray Zazzetti, FAA Tower Chief.

No. 80-0261 — Resolution expressing appreciation for a job well done and wishing Mr. Zazzetti continued health and happiness in his new assignment.

* * *

10. Consent Calendar of Routine Administrative Matters.

The following resolutions were unanimously adopted:

(10) Award of Contract No. 1348, Emergency Airfield Pavement Repairs, 1980-81.

No. 80-0262 — Resolution awarding Airport Contract No. 1348, Emergency Airfield Pavement Repairs, 1980-81 to MBM Construction Co., P.O. Box 5554, South San Francisco, California 94080, in the total amount of $62,371.00.

(11) Modification No. 12 to Shuttle Bus Service Agreement.

No. 80-0263 — Resolution approving increase in wage and fringe benefits per Section 3 of contract agreement.

(12) Approval of Request to Mayor for Transfer of Appropriation.

No. 80-0264 — Resolution approving request to Mayor to recommend to Board of Supervisors a transfer of appropriation in the amount of $3,079 to cover additional cost resulting from reclassification of two Contract Lease Administrators to Management Assistants.

(13) Contract No. 1200A, Central Terminal Modernization, Site Preparation Work, Approval of Type I Modification Budget, $29,780.

No. 80-0265 — Approval of Type I modifications and to accept the completed work and make final payment provided the project is completed on schedule and within budget.

(14) Tenant Improvement: Eastern Airlines, T-2433, Maintenance and Operational Facilities in North Terminal, $650,000.

No. 80-0266 — Eastern Airlines will develop their North Terminal Building offices, ticketing facility, baggage handling and baggage make-up.

(15) Tenant Improvement: Hertz Remodeling of Check-In Building, $60,000.

Pan Am: Revision to Drainage to Pavement Around Compactor and Sterilizer, $30,000.

No. 80-0267 — Hertz Rent-A-Car Division remodeling their check-in building, Lot "A".

Pan Am revision to drainage and paving around their compactor and sterilizer, Plot No. 1.

(15A) Retirement Resolution for Ruth Scovel.

No. 80-0268 — Resolution on retirement of Ruth Scovel.

* * *

8. Consent Calendar of Contract Modifications.

The following resolution was adopted 4 ayes (Coblentz, Kadish, Goosby, Fleishell) to 1 nay (Bernstein):

(16) Airport Contract No. 1000, Garage: Stage IV - Superstructure Addition, Modification No. 85 (Debit) $17,599.00.

No. 80-0269 — Resolution approving and requesting the Controller's certification of debit Modification No. 85 to Airport Contract 1000, in the total debit amount of $17,599.

* * *

9. Public Hearing.

(17) Landing Fee Charges for Fiscal Year 1980-81.

Resolution approving Landing Fee Charges for Fiscal Year 1980-81.

Consideration of Item (17) was postponed to a future meeting.

* * *

10. Trailing Calendar of Old Business.

There was no discussion of the item on the Trailing Calendar.

* * *

11. Adjournment of Meeting.

There being no further business before the Commission, the meeting was adjourned at 2:57 p.m.

Eric Craven
Commission Secretary

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MINUTES

Tuesday, November 4, 1980

DIANNE FEINSTEIN, MAYOR

COMMISSIONERS

MORRIS BERNSTEIN
President
WILLIAM K. COBLENTZ
Vice-President
RUTH S. KADISH
DR. Z.L. GOOSBY
J. EDWARD FLEISHELL

RICHARD R. HEATH
Director of Airports

San Francisco International Airport
San Francisco, California 94128

MINUTES
OF THE
AIRPORTS COMMISSION
MEETING

Tuesday, November 4, 1980

1. Call to Order:

The regular meeting of the Airports Commission was called to order at 2:00 p.m., in Room 282, City Hall, San Francisco, California.

* * *

2. Roll Call:

Present:	Commissioners Morris Bernstein, Ruth S. Kadish, Z. L. Goosby, J. Edward Fleishell.*
Absent:	William K. Coblentz

* * *

3. Adoption of Minutes.

The following resolution was adopted by order of the Commission President.

No. 80-0270	Resolution adopting the Minutes of the October 7, 1980 and the October 21, 1980 Airports Commission Meetings, as amended.

* * *

4. Director's Reports: (Verbal Reports)

(A) Handicapped Employment Opportunity.

Mr. Lou Turpen, Deputy Director for Operations and Maintenance, said that it has been determined that airfield access points can be manned by other than police officers and he expects to have new staff members of the disabled community in place by January 1.

*Commissioner Fleishell arrived at 2:26 p.m. during discussion of Item (2).

4. Director's Reports (continued)

Commissioner Goosby asked what procedures would be used in hiring these people.

Mr. Turpen said that staff had planned to work with the California League for the Handicapped.

Commissioner Goosby said there should be some public notice that these jobs are available since not all handicapped persons are associated with the California League of the Handicapped.

Commissioner Kadish concurred with Commissioner Goosby's recommendation.

Commissioner Goosby said he understood that this is a set-aside of 30 positions for handicapped people and asked for an explanation of the difference between this set-aside and a set-aside for other disadvantaged groups, i.e. minorities and women.

Mr. Don Garibaldi, Airports General Counsel, said that the Airport is prevented by the California constitution from discriminating on the basis of sex.

Commissioner Goosby asked Mr. Garibaldi if his argument is that if we set aside for economically deprived people, we could do it for anyone.

Mr. Garibaldi said that presupposes an argument that there has been some discrimination.

Commissioner Goosby said that it has been shown that there has been some past discrimination. He said there needed to be some legal clarification of this. He said he raised the point because of another item coming up later on the agenda, and he felt the Commission should be consistent in its philosophy.

Commissioner Kadish asked if Commissioner Goosby was asking for a legal opinion from Mr. Garibaldi.

Commissioner Goosby said that he was.

* * *

(B) Commercial Filming Permits.

Mr. Peter Singer, Deputy Director for Business and Finance, said that after the last meeting, he had looked into the matter of permits and found that up until about two or three years ago the Mayor's office was charging movie companies for permission to use the Airport. He said that policy has been reinstated whereby the companies will go to the Mayor's office first and contribute what the Mayor's office decides is appropriate and then they will come to the Airport and obtain the usual Airport permit. He said the Airport would charge these companies for expenses incurred plus a small overhead charge.

4. Director's Reports (continued)

Commissioner Kadish requested a report to the Commission on specifically what these charges would be.

(C) Liability Insurance Policy.

Mr. Singer said that three bids had been received on the Airport's liability insurance and that the amount would be lower than it had been before. Mr. Keith Grand advised Mr. Singer that there are only a limited number of insurance brokers who were interested in the Airport's insurance and they follow the availability of bidding very closely. Mr. Singer responded to specific questions Commissioner Kadish had raised regarding the insurance.

Commissioner Kadish said that she would like a copy of Mr. Grand's memo.

* * *

5. Items Initiated by Commissioners.

(1A) Air Cargo Master Plan

Commissioner Kadish said in the Minutes of two meetings ago there were comments that there would be an Airport master plan coming. She did not see it on the trailing Calendar.

Mr. Heath said the Air Cargo Master Plan is part of the Airport Land Use Plan and that the Commission has a schedule of the periodic reporting times. The next reporting time is December 2nd and it will be forthcoming at that time.

* * *

6. Agenda Items Involving Airport Policies or Major Operational Decisions.

The following resolution was unanimously adopted as amended:

(2) Standard Concession Lease.

No. 80-0271 — Resolution approving terms and conditions of standard concession lease.

Mr. Heath asked approval of the lease. He said that it had been reviewed by Commissioners Coblentz and Fleishell and their suggested changes have been incorporated.

Commissioner Goosby requested that an addition be made to page 6: it should read "...the Director with the approval of the Commission."

* * *

6. Policies or Operational Decisions (continued)

The following resolution was unanimously adopted:

(3) Airport Police Goals and Objectives.

No. 80-0272 — Resolution in support of Chief Casey's Program for the Airport Police.

Mr. Heath said that staff felt it would be advisable for the Commission to approve the goals set by the new Chief of Police.

* * *

The following resolution was discussed and subsequently put over to a future meeting:

(4) Resolution Establishing Certain Definitions Relative to Airport Commission Policy for Small Business Enterprise Set-asides on Further Airport Concessions.

Mr. Heath said following the last Commission meeting, he has attempted to incorporate various suggestions that were made. He said that staff developed a new set of definitions of what constituted a small business enterprise. He said he had just received a letter from Grant Mickins of HRC, but had not had the opportunity to read it.

Commissioner Kadish said that Mr. Mickins requested a delay. She wondered if there would be any problems if a decision were delayed.

Commissioner Fleishell said that he wondered if waiting would give the Commission the opportunity to come up with a better policy.

Mr. Heath agreed. He suggested that the Commission see what the result will be of the first round of bids and then look at them and work with Mr. Mickins and the City Attorney.

Commissioner Goosby said that the wording might be changed in some way. He said that these were the last large group of concessions that the Airport would be bidding out and we should make some major steps with these. He asked if a gross of five million dollars was too high.

Commissioner Bernstein said that any business that did $200 - $250,000 did good business. He said he believes it requires some study. He said that it is his opinion that so long as there is bidding, disfranchised minorities would have no chance.

Commissioner Fleishell said he felt this was another example of trying to re-invent the wheel and asked whether the staff had asked the managers of other airports.

6. Policies or Major Operational Decisions (continued)

Mr. Singer said the staff had reviewed what other airports have done but we have not been able to find another airport which has a set-aside like ours.

Commissioner Kadish said she would like to amend the small business definition to be a business doing up to one half million dollars gross in any one year.

Mr. Singer said that one of the problems with that limit was the capability of someone doing a half million business and being able to develop this activity.

Commissioner Goosby asked how a business was determined as a local business.

Mr. Heath said that the policy does not limit bidders to any geographical location.

Mr. Singer said that would be difficult to determine.

Commissioner Fleishell said the thing that disturbs him is staff spending a great deal of time on this matter and then if the staff was comfortable with $500,000, why had it asked for $5 million.

Mr. Singer said that staff was comfortable with $1 million, but according to Human Rights, an MBE contractor does $7 million of business.

Commissioner Kadish said she would have no objection to letting staff think about this definition.

Commissioner Bernstein suggested that the matter be put over until the next meeting.

Commissioner Fleishell said it might be helpful to use definitions that have been tested in court.

* * *

The following resolution was adopted 3 ayes (Bernstein, Kadish, Goosby) to 1 nay (Fleishell):

(5) Installation of North Terminal Art Acquisitions.

No. 80-0273 Installation of North Terminal Art Acquisitions.

Mr. Heath said the Art Commission had approved the two recommendations and if this Commission approved, the Airport could go ahead and get the paintings hung.

Commissioner Fleishell said the Commission had spent a great deal of time talking about contracting work to minority firms and wondered why this contract was not awarded to a minority.

6. Policies and Operational Decisions (continued)

Commissioner Kadish said that the Bluepeter firm has the highest degree of expertise in the area. She outlined their credentials.

Commissioner Goosby agreed with Commissioner Fleishell.

Mr. Heath said that the Airport is bound by the Art Commission and their attorney said this work should not be bid.

Commissioner Kadish said there were three different firms that had submitted bids for this work and of those firms, Bluepeter was $20,000 under the second bid and was the low bidder.

Mr. Heath said the contract will be subject to LRC review. He said that a substantial amount of the money for works of art had gone to minorities.

Commissioner Bernstein felt it was important to consider the degree of competence.

Commissioner Fleishell said that this was a good opportunity to award to a minority firm while using the bid process.

Commissioner Kadish said that the joint committee interviewed various people and the firm with the greatest degree of competence was Bluepeter. She said that the Airport is really a ratifying agency for the Art Commission at this point.

Commission Fleishell said the Airports Commission did not take this position some months ago when the Airports Commission felt that it had prime authority at the Airport.

* * *

The following resolution was discussed and subsequently put over to a future meeting:

(6) Modification of Candy Store Lease, Central and South Terminals.

Resolution approving a modification of the Skyline Candy and Gifts, Inc. lease, whereby lessee: (1) relinquishes his Central Terminal location, (2) exp nds his South Terminal business to include sales of California wines; and (3) agrees to the relocation or other change of the South Terminal premises if necessitated by the South Terminal M & R Program.

Mr. Heath recommended approval.

Mr. Matousek of Duty Free Shoppers asked that the matter be put over for two weeks.

* * *

7. Consent Calendar of Routine Administrative Matters.

The following resolutions were unanimously adopted:

(7) Approval of Out of Town Travel.

No. 80-0274 — Approval of out of town travel.

(8) Modification No. 13 to Shuttle Bus Service.

No. 80-0275 — Resolution approving fuel price adjustment per Section 3 of contract agreement.

(9) Completion of Professional Services Agreement, Irving Soffer, Consultant.

No. 80-0276 — Resolution accepting the work of Irving Siffer, Consultant, on the review and evaluation of contract modifications for Airport construction contracts as satisfactorily completed and authorizing final payment in the amount of $2,360.00.

(10) Tenant Improvement: Air Canada, Development of Assigned North Terminal Area, $95,000.

No. 80-0277 — Air Canada to develop assigned office space on mezzanine and ground level operational area.

Commissioner Goosby inquired about Item (7), if it wouldn't be appropriate that someone from the Commission, as well as staff, go to see the Atlanta Airport.

Mr. Heath suggested that this be added to the travel request.

Commissioner Bernstein asked what would be covered at the economic committee meeting.

Mr. Heath said that discussion would cover financing, landing fees, etc. and other matters pertinent to airport operations. He said the economic committee put together a professional booklet on parking garages.

Commissioner Kadish said she felt it was very important that the Commission not be parochial in its approach. She said the only way we can have contact with what is going on elsewhere is going to places where there is a sharing of ideas. She said the Commission should have reports from meetings that staff attends so that there is a sharing of information.

Commissioner Goosby asked if there was an Association of Airport Commissioners that meets once a year, and if so, some Commissioners should attend some of these meeting.

7. Consent Calendar (continued)

Commissioner Fleishell said he understood that the Mayor had forbad all out-of-state trips.

Mr. Heath said that every trip had to be pre-approved by the Mayor and the Board of Supervisors.

Commissioner Kadish asked in regard to Item (9) if the Commission could receive copies of the summaries of Mr. Soffer's work.

Mr. Heath said he would look into that.

* * *

8. Consent Calendar of Contract Modifications.

There were no items on this Calendar.

* * *

9. Public Hearing.

The following resolution was unanimously adopted:

(11) Resolution Approving Landing Fee Charges for Fiscal Years 1980-81 and 1981-82.

No. 80-0278 — Resolution approving landing fee charges for fiscal years 1980-81 and 1981-82.

Mr. Heath said that sometime ago when we talked about landing fees and the airlines expressed objections to them and requested that some of the charges be put into the budget of fiscal year 1981-82. He said that the fees that staff is recommending today are less than the original proposal. He said the resolution contained the notation which the airlines wanted that they were paying the fees under protest and that the Airport is accepting them under protest. He recommended approval of the resolution July 1st.

Commissioner Goosby asked if the proposal contained preferrential rates.

Mr. Heath said it did.

9. Public Hearing (continued)

Mr. Paul Van Wert of United Airlines said he had consulted with staff, consultants which resulted in increased reductions in expenditures for capital projects. He said while the airlines agreed that the projects were necessary, they disagreed with the timing of their construction. He said projects should be built when there is an environment in which long-term financing is possible.

Mr. James Chamberlin of Delta Airlines said he was present to register a protest about the continuation of any discount for landing fees.

Mr. Heath said that he agreed with the comments that funding for capital projects out of revenues instead of some long-term source was not the best way to do business. He said that if the lawsuit is settled and there is a change in the charter, then financing in this fashion will not have to be done in the future.

* * *

10. Trailing Calendar.

There was no discussion of items on the Trailing Calendar.

* * *

4. Director's Reports (continued).

(D) Suit by Neighboring Communities.

Mr. Heath said that before the meeting adjourned, he had one item to mention to the Commission: four communities around the airport had formed a joint powers authority and he had been informed by the president that they had voted to file suit against the Airport to stop the Japan Airlines/Flying Tiger flight facility. He said that he believed it was irresponsible and flies in the face of all the recommendations of the Land Use Study. He said that it was an attack on the two airlines that have been most cooperative.

Commissioner Goosby asked if Mr. Heath had any material about this organization, its structure, its legal standing, who funds them, etc.

Commissioner Kadish said that for years these communities had been ignored by the Airport. But, she said, in the last three years the Airport has spent time and money to get them involved and it was very unfair that they should now be preparing to sue the Airport without having informed the Airport about this contemplated step.

* * *

11. Adjournment.

There being no further business before the Commission, the meeting was adjourned at 3:37 p.m.

Eric Craven
Commission Secretary

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MINUTES

Tuesday, November 18, 1980

DIANNE FEINSTEIN, MAYOR

COMMISSIONERS

MORRIS BERNSTEIN
President
WILLIAM K. COBLENTZ
Vice-President
RUTH S. KADISH
DR. Z.L. GOOSBY
J. EDWARD FLEISHELL

RICHARD R. HEATH
Director of Airports

San Francisco International Airport
San Francisco, California 94128

MINUTES
OF THE
AIRPORTS COMMISSION
MEETING

Tuesday, November 18, 1980

1. Call to Order:

The regular meeting of the Airports Commission was called to order at 2:06 p.m., in Room 282, City Hall, San Francisco, California.

* * *

2. Roll Call:

Present:	Commissioners Morris Bernstein, Ruth S. Kadish, Z. L. Goosby, J. Edward Fleishell.
Absent:	Commissioner William K. Coblentz.

* * *

3. Adoption of Minutes:

The following resolution was adopted by order of the Commission President:

No. 80-0279	Resolution adopting the Minutes of the November 4, 1980 Airports Commission meeting as amended.

* * *

4. Director's Reports.

There were no Director's Reports made at the time. (See Director's Reports, page 11, below.)

* * *

5. Items Initiated by Commissioners.

There were no Items Initiated by Commissioners.

* * *

6. Agenda Items Involving Airport Policy or Major Operational Decisions.

The following resolution was discussed and subsequently put over to a future meeting:

(1) Airport Hilton Inn 300-Room Expansion.

Resolution approving Hilton Hotel Corporation's proposal to construct 300 additional guest rooms at the Airport Hilton.

Mr. Richard Heath, Airports Director, said that this resolution, if adopted, would allow Hilton to proceed, although final plans would have to come before the Commission for approval.

Commissioner Fleishell said it was his recollection that at the end of the lease, the City would own the hotel. He asked if it was correct.

Mr. Heath said it was.

Commissioner Goosby inquired about Hilton maintaining its rights to be the only hotel on Airport property.

Mr. Heath said there would be no change in that.

Commissioner Goosby asked if in 18 years when ownership of Hilton reverts to the City, would the City also own the addition.

Mr. Heath said that the City would.

Commissioner Goosby wondered if there would be a possibility that Hilton would make an effort to extend their lease.

Mr. Heath said that Hilton could at any time request an extension of their lease.

Commissioner Fleishell said that in connection with the settlement of the airline litigation, some people have suggested that the Airport would have an opportunity to develop the land west of Bayshore. He asked if there was anything in the Hilton lease that would forbid the Airport from developing that land.

Mr. Heath said that there was nothing in the lease which would forbid the Airport developing that land but if the Airport decided to develop that land and if the Commission decided to build a hotel, Hilton would have the exclusive right to build that hotel.

Mr. Heath said that Mr. Gerald Owyang from the City Planning Department had some suggested changes in the resolution.

Mr. Owyang said that the Hilton expansion might be subject to an environmental impact review.

Commissioner Fleishell said that he was interested in the City Planning Commission's authority to review proposed building at the Airport and would appreciate Mr. Owyang forwarding to him a copy of the relevant sections of the City Charter.

The vote was taken and it was 2 ayes (Bernstein, Fleishell) to 2 nays (Kadish, Goosby).

Mr. Heath said that he would like to know why the two Commissions voted against the resolution so that he would have an idea about the areas in which the Commissioners felt changes should be made.

Commissioner Goosby said that he felt all the terms of the agreement should be in writing.

Commissioner Kadish said that she wanted to see language regarding the land west of Bayshore and the exclusivity of Hilton's doing business.

Mr. Heath said that if the Commission disapproves this resolution, the Airport would be in the same position it was in currently with Hilton having the exclusive right to all hotel activity.

Commissioner Kadish said that if the Airport were to make an agreement for Hilton to expand it could possibly get some concessions from them.

Commissioner Bernstein said that consideration on the matter would be put over for two weeks.

* * *

The following resolution was unanimously adopted, as amended:

(2) Architectural Selection for the Remaining M & R Projects.

No. 80-0280 As Amended	Resolution containing recommendations of Architectural Selection Committee for the selection of architectural firms to complete remaining M & R Projects.

Commissioner Goosby said he agreed with the approach of having a coordinating architect. He said that it would seem to be a natural extension of duties of Mr. Howard Friedman, who has been the Airport's architect consultant.

Commissioner Kadish said it seems to her that Commissioner Goosby's point was well taken and there should be changes made in the resolution to indicate that the coordinating function would be handled by Howard Friedman.

Mr. Heath said if the Commission is ready to proceed with the selection of Mr. Friedman as coordinating architect, he would have no objection.

* * *

The following resolution was discussed and subsequently put over to a future meeting:

(3) General Conditions of Airport Construction Contracts.

Resolution approving general conditions for use in Airport construction contracts.

Mr. Heath said that just prior to the meeting he had discussed this item with Mr. Jason Yuen, Director of the Bureau of Terminal Construction, and they found that there were some changes that needed to be made in the resolution. He said that there might be a number of questions from the Commission and he suggested that there not be any action on this today.

Commissioner Kadish said that it was her feeling that the policy aspects have been moved from the old document into the new so that we still have a document that dates from the 60's. She said that the current document still needs revision in terms of wording and clarification in many instances. She said the purpose of the document should be to make the bids so clear that what would happen would be that bids would be lower so that it would work to the benefit of the Airport. She made some specific suggestions regarding items on pages 8, 24, 29 and 38. She said that if any of these points are required by the Administrative Code, it should state that within the document. She said that if the Commission determines that there should be a change in the Administrative Code, we can request a change in the Administrative Code.

Mr. Yuen said he would discuss the specific recommendations with Don Garibaldi, Airports General Counsel.

Commissioner Bernstein suggested that the matter be put over.

* * *

The following resolution was unanimously adopted:

(4) Airport Affirmative Action Plan.

No. 80-0281 — Resolution requesting approval of the Airport Affirmative Action Plan for City employees which sets goals for 1981.

Mr. Heath urged the adoption of this plan by the Commission.

Commissioner Goosby inquired if the Civil Service Commission had to approve the plan. He said he had requested some information from staff and had never received it. He said he had asked for the breakdown of the current new hiring.

Mr. Heath said he would look into it.

Commissioner Goosby inquired whether there was a plan to use only San Mateo and San Francisco counties in the pool from which Commission employees were drawn. He asked what the rationale for this decision was.

Mr. Peter Singer, Deputy Director for Business and Finance, said that the reason why only these counties were considered part of the pool was because the majority of Airport employees came from those counties.

Commissioner Goosby said he did not agree with restricting selection to only those counties. He said that if the Airport wants to have a just and fair labor force, it should consider drawing people from other counties, especially Alameda County.

Mr. Singer said that originally the Airport was asked to base its labor pool on San Francisco County only and the staff had requested adding San Mateo County since a large portion of the Airport's work force comes from that county.

Commissioner Goosby asked that staff look in to possibly adding Alameda County to the labor pool.

* * *

The following resolution was unanimously adopted:

(5) Establishment of Definitions Relating to Small Business Set-Asides.

No. 80-0282 — Resolution establishing certain definitions relative to Airport Commission policy for small business enterprise set-asides on further Airport concessions.

Mr. Heath said that staff had looked at a number of proposals since the discussion at the last Commission meeting and had realized that there are problems that could not be resolved in advance of receiving bids.

He said that if the Commission sets the amount of business too low, the Commission would be excluding some possibilities such as a small business man or women from teaming up with a wealthier organization. He said that the current resolution sets the limit for a sole proprietorship at $2 million and the limit for a group at $5 million. He said he felt it would be wise to try these limits at this time and if problems arise, staff would bring the question back to the Commission for further consideration.

Commissioner Bernstein asked if staff had inquired as to how many retail operations in San Francisco were grossing over two million dollars.

Commissioner Fleishell wondered if the Commission was taking adequate precautions to make sure that we don't allow a situation to occur in which large companies hire a minority person and make it appear that they are in business for themselves.

Commissioner Goosby said that he felt two million dollars was high. He said he didn't know if the Commission was realistically giving a chance to small businesses.

Mr. Heath said that he considered the numbers to be reasonable. He said that wherever one draws the line, some groups of people would be eliminated. He said that he recommends that the Commission adopt this and see how it goes.

Commissioner Bernstein said that under the present City Charter, it is almost impossible to put together a good affirmative action program. He said that changes in the Charter were necessary.

* * *

The following resolution was unanimously adopted:

(6) Bank of America Lease Extension and Modification.

No. 80-0283 — Resolution approving the Modification of lease to Bank of America, to allow for a five-year extension based on an increased annual rental payment.

Mr. Heath said that this lease extension for the Bank of America had been renegotiated at the Commission's direction and the suggested rate was much more in line with current rates.

Commissioner Fleishell asked whether there would be bank branches in the other terminals.

Mr. Singer said that this lease was for the main branch building adjacent to Lot D.

Commissioner Fleishell said that he understood that originally no other bank expressed interest in opening a branch. He said that he understood that right now, there is no bank in the North Terminal.

Mr. Singer said that there was a branch on the mezzanine level.

Commissioner Bernstein asked how many square feet the branch occupies.

Mr. Singer answered approximately 1500 to 2000 square feet. He said the lease is for the branch on Plot 13 and had nothing to do with any of the branches in the terminals.

Mr. Heath said that the only reason the Bank of America is at the Airport is that they are the only ones who have certification to have branches at the Airport.

Commissioner Fleishell said, though, that the Bank of America is certified by the government because they are the only ones who asked for certification.

Mr. Heath said that that was correct.

* * *

7. Consent Calendar of Routine Administrative Matters.

The following resolutions were unanimously adopted:

(7) Approval of Travel of Commissioner.

No. 80-0284 — Resolution approving travel of two Commissioners.

(8) Declaration of Emergency: Clearing of Silt and Tules From Canals on Airport Property West of Bayshore Freeway, $25,000.

No. 80-0285 — Resolution ratifying the action of the President of the Commission on declaring an emergency and taking immediate steps to clear the drainage canals west of Bayshore Freeway of silt and tules in order to maintain a clear channel of unobstructed flow this winter.

7. Consent Calendar - (continued)

(9) Emergency Transformer Repairs, $9,500.00.

No. 80-0286 — Resolution approving declaration of emergency, Transformer Repairs, $9,500.00.

(10) Supplemental Appropriation, Replacement of Visitor Service Representative, $4,725.

No. 80-0287 — Resolution appropriating funds for replacement of Visitor Service Representative in the amount of $4,725.

(11) Settlement of Abenojar vs. City and County of San Francisco, $5,000.

No. 80-0288 — Resolution approving settlement of litigation of Abenojar vs. City and County of San Francisco by payment of $5,000.00.

(12) Award of Contract No. 1204B, Pavement Overlay, Airborne Truck Loading Dock, Plot 10A, $57,503.00.

No. 80-0289 — Resolution awarding Contract No. 1204B, Pavement Overlay, Airborne Truck Loading Dock, Plot 10A, to Lowrie Paving Company, Inc. P. O. Box 2465, South San Francisco, CA 94080, in the amount of $57,503. The purpose of this contract is to provide a substitute aircraft parking area for Butler Aviation for present aircraft parking space which must be surrendered for construction of the new firehouse.

7. Consent Calendar (continued)

(13) Award of Contract No. 1326, Replacement of Light Poles, Parking Lots 'C' and 'D', $25,038.00.

No. 80-0290 — Resolution awarding Contract No. 1326 to Coast Electric Company, P. O. Box 5186, 2490 Middlefield Road, Redwood City, CA 94063, in the amount of $25,038. The purpose of this contract is to replace deteriorated light poles in Parking Lots 'C' and 'D'.

(14) Professional Services Agreement - $25,000.00, Pacific Environmental Laboratory.

No. 80-0291 — Resolution approving the annual professional services agreement with Pacific Environmental Laboratory, 657 Howard Street, San Francisco, California, to provide services for waste water testing and analysis.

(15) Final Modification No. 3 (Credit of $84,463.55) and Completion of Airport Contract for North Terminal Cleaning Services (payment of $102,262.13).

No. 80-0292 — Resolution accepting the work performed under Airport Contract for North Terminal Cleaning Services, as satisfactorily completed, approving and requesting Controller's certification of Credit Modification No. 3 in the amount of $102,262.13 in favor of the contractor, Bekins Building Maintenance Company, 1335 South Figueroa Street, Los Angeles, CA 90015.

(16) Host Rental Credits for North Terminal Improvements, $24,489.00.

No. 80-0293 — Rental Credit in the amount of $24,489 to Host International for certain North Terminal improvements.

Mr. Heath said the first item, Item No. (7) is submitted for approval of two Commissioners to visit the Atlanta Airport. He said he has asked for suggestions of other airports to visit.

8. Consent Calendar of Contract Modifications.

The following resolution was unanimously adopted:

(17) Airport Contract No. 1000, Garage: Stage IV - Superstructure Addition, Modification No. 86 (credit of $105,364.00 and Substantial Completion (payment of $3,592,057.14).

No. 80-0294 — Resolution declaring Airport Contract No. 1000, Garage: Stage IV - Superstructure Addition, as over 99% complete, authorizing Airports Commission to enter into an "Agreement" with Contractor, approving and requesting the Controller's certification of credit Modification No. 86 in the amount of $105,364.00 and approving payment in the amount of $3,592,057.14 in favor of the Contractor, Robert E. McKee, Inc. 4701 San Fernando Road West, Los Angeles, CA 90038.

* * *

9. Trailing Calendar.

(2) Valet Parking
Mr. Heath said an analysis of Valet Parking would be on the December 2 Calendar.

* * *

(3) Candy Shop Lease.

Commissioner Kadish asked when an analysis of the candy shop lease would be forthcoming.

Mr. Heath said that he'd see when they could get it done.

* * *

4. Director's Reports (continued)

(17A) Suit by JPAC.

Mr. Heath said that he heard that a suit by JPAC against the Airport had been filed although no people had yet been served with notice.

* * *

10. Adjournment.

There being no further matters before the Commission, the meeting adjourned at 3:42 p.m.

Eric Craven
Commission Secretary

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MINUTES

Tuesday, December 2, 1980

DIANNE FEINSTEIN, MAYOR

COMMISSIONERS

MORRIS BERNSTEIN
President
WILLIAM K. COBLENTZ
Vice-President
RUTH S. KADISH
DR. Z.L. GOOSBY
J. EDWARD FLEISHELL

RICHARD R. HEATH
Director of Airports

San Francisco International Airport
San Francisco, California 94128

MINUTES
OF THE
AIRPORTS COMMISSION
MEETING

Tuesday, December 2, 1980

1. Call to Order:

The regular meeting of the Airports Commission was called to order at 2:03 p.m., in Room 282, City Hall, San Francisco, California.

* * *

2. Roll Call:

Present: Commissioners Morris Bernstein, William K. Coblentz, Ruth L. Kadish, Z. L. Goosby, J. Edward Fleishell.

Absent: None.

* * *

3. Adoption of Minutes:

There were no Minutes to be considered for adoption.

* * *

4. Director's Reports.

A. Update of Land Use Plan.

Mr. Richard Heath, Director of Airports, asked Mr. Louis Turpen, Deputy Director for Operations and Maintenance, to speak about the Airport Land Use Plan.

Mr. Turpen said that the Airport has an Airport Land Use Plan already in effect and that his current efforts were really to revise and update that already existing plan. Mr. Turpen said that he would be bringing an update to the Commission in January. He suggested that in a general sense, the Commission should decide on the priorities for various uses of land and how that should be interpreted for the use of specific parcels.

Commissioner Goosby asked if JPAC had been sent a copy of the suggested changes so that they would be familiar with the various alternatives.

Mr. Heath said that he asked JPAC to be ready to come to the meeting today. He said that they had not submitted their materials but that they had said that they will have them ready by the meeting of December 16th.

Commissioner Goosby said that the Commission had talked about the possibility of engaging a consultant to develop options for the property west of Bayshore.

Mr. Heath said that engaging a consultant would probably have to wait until settlement of the suit with the airlines.

Mr. Turpen said that the Airport might consider reorganizing its parking by putting a parking lot and rental cars in the west of Bayshore area.

Commissioner Goosby inquired if Mr. Turpen was talking about temporary use.

Mr. Turpen said that he was talking about long-range use.

Commissioner Goosby said that it bothered him that Mr. Turpen could be talking about putting parking west of Bayshore until a comprehensive review had been taken.

Mr. Heath said that he would not ask the Commission to make any final decisions about the use of the land until there was an overall plan.

Commissioner Kadish said that the Commission has had no progress reports regarding various projects which are noted to be completed in the near future. She said that projects such as the negotiations with the Coast Guard have not yet been reported on to the Commission. She said that she was concerned to see that these projects were either nearing completion or being implemented with the Commission having no knowledge of them.

Mr. Heath said that there is nothing to report except that staff is talking with the various parties. He said that if there were any important changes, the staff would inform the Commission.

Commissioner Fleishell said that this report by Mr. Turpen, then, was in the nature of a progress report.

Mr. Heath said that was correct and that in January, staff would come back to the Commission with a more detailed plan.

Commissioner Fleishell said that it was his understanding that the land west of Bayshore could not be built on in any way until the litigation was concluded.

Mr. Heath said that that was the case.

Commissioner Fleishell said that it was his feeling that before the Commission held public hearing on a plan, the Commission should determine what it felt it wanted.

B. Valet Parking.

Mr. Heath said that the staff is continuing to look at valet parking. He said that staff has come up with some positive alternatives and he hoped to have a report to the Commission by the first meeting in January.

Commissioner Coblentz said that it was his feeling that if, in the light of budgetary constraints, valet parking was still operating at a loss, the Commission should do away with it. He said that he felt it was inequitable and unfair to the rest of the people who use the Airport that they should subsidize this kind of service. He said that he would fight continuation of valet parking if it does not begin to show a profit.

Commissioner Bernstein asked if the Commission should do away with every service that loses money. He said that it was his feeling that the Airport had to render some services that did not pay for themselves.

Mr. Heath said that every increase in the rate for valet parking has reduced the number of customers.

Commissioner Fleishell said that the entire question of what service is rendered to the public should be examined.

Mr. Heath said that staff was looking at that.

* * *

(2) 1981-1982 Budget Guidelines.

Mr. Heath said that the Airport is required by the City to have its budget in by March 1, 1981. He said that the Commission has been provided with a schedule so that the Commission would be able to meet the City's deadline.

Commissioner Fleishell said that consistent with the negotiations going on with the airlines regarding their suit, the airlines should have it in advance of a public hearing.

Mr. Heath said that he hoped the schedule allowed for adequate review, because he wanted the Commission to be thoroughly comfortable with the budget.

Commissioner Kadish said that when the Commission would be discussing the budget, she would like the staff to have prepared a large flip chart so that they could more easily understand the various parts of the budget.

Commissioner Goosby said that in keeping with Commissioner Fleishell's comments, he has never had the opportunity to familiarize himself with that budget and ask the kinds of questions he would like to. He wondered if it might not be a good idea to schedule a special meeting of the Commission to consider the budget on January 27.

Mr. Heath said between January 6th and January 20th, the staff will be holding meetings with the airlines, and if a few Commissioners would like to attend, Mr. Heath said that he would be happy to have them participate. He said that an alternative would be to have the meeting of January 20th devoted to the budget.

Commissioner Fleishell said that the highest form of policy-making is budgeting. He said that it might be appropriate to make sure someone from the Mayor's office and the Board of Supervisors could attend these preliminary meetings.

Mr. Heath said that people from both offices had been invited.

Commissioner Kadish said that the Commission should perhaps wait until the January 6th meeting to see if any additional meetings were necessary.

Mr. Heath said that he would proceed that way and the Commission could see what might be necessary in the future.

* * *

5. Items Initiated by Commissioners.

The following resolutions were unanimously adopted:

(3) Airports Commission Commendation to Airport Staff for Aviation Safety Institute Award.

No. 80-0295	Resolution expressing Commission's gratitude to Airport staff for receiving award for third consecutive time.

(3A) Commission Commendation to Airline Crew and Airport Staff Regarding Emergency Landing of TWA Aircraft.

No. 80-0296	Resolution commending the flight crew, cabin crew and Airport for successful handling of the TWA emergency landing on November 30.

Commissioner Kadish said the Airport received the award and it seems that the Commission would want to send a commendation to those people who were instrumental in putting us in this position.

Commissioner Kadish also said that she would suggest the second commendation to the people who averted what might have been a tragedy.

* * *

6. Agenda Items Involving Airport Policies or Major Operational Decisions.

The following resolution was unanimously adopted (Coblentz not participating in the vote):

(4) Airport Hilton Inn 300-Room Expansion.

No. 80-0297 — Resolution approving Hilton Hotel Corporation's Proposal to construct 300 additional guest rooms.

Mr. Heath said a number of questions were raised at the last Commission meeting and attempts have been made to meet various concerns.

Commissioner Goosby said that he was appreciative of how quickly Mr. Heath, the Airport staff and Hilton people responded to his concerns. He said the opinion from the City Attorney indicates that Hilton is responsible to meet the guidelines established by the City HRC (Human Rights Commission).

Mr. James Philon, Senior Vice President of the Hilton Hotels Corporation said that Hilton feels their hotels are an important part of any community in which they are located.

Commissioner Goosby asked Mr. Philon if he would have any objections to sitting down with the HRC to discuss any future adjustments in Hilton's work force.

Mr. Philon said Hilton would have no objections and would hope that Hilton would do an even better job than required.

* * *

The following resolution was discussed and subsequently put over to a future meeting:

(5) Approval of 1981 Budget for CMC (Construction Management Consultants), $375,000.00).

Resolution approving the 1981 budget of $375,000 for Construction Management Consultants (CMC). It is anticipated that all services under the original 5 year professional services agreement with CMC as extended, will be completed by September 30, 1981 with the final closeout of Contract No. 1015, Garage: Stage V - Final Modifications. Further need of their services to provide technical assistance to our outside legal attorneys after September 1981 will be determined later.

Commissioner Coblentz said he would like to know some of the specifics in the budget before he voted on the matter.

Commissioner Kadish said that her questions relate to legal expenses being in the CMC budget and CMC being the ones to dispense those sums. She said that originally the CMC program was looked at by Mr. Friedman and she said that it might be appropriate for him to look at their budget at this time.

* * *

The following resolution was unanimously adopted:

(6) Declaration of Breach of Lease - Paradies Airport Shops, Inc.

No. 80-0298 — Resolution declaring Paradies Airport Shops, Inc. in breach of Lease No. 79-0423 for refusal to comply with agreements regarding product lines to be sold.

* * *

The following resolution was put over to the next Commission meeting:

(7) Request by Glide Church for Exemption from Part of the Airport Rule Regarding Locations for Charitable Solicitations.

Resolution approving the request by Glide Memorial United Methodist Church for exemption for booth requirement of Rule 1.3.7(N). Presentation by Ephraim Margolin, Attorney-at-Law.

Attorney William Mount had requested that this item be put over to the next meeting as Mr. Margolin was unexpectedly called out of the country.

* * *

(8) Design Approval of New Host North Terminal Facilities Northbeach Delicatessen and Boarding Area E Bar/Snack Bar.

Item (8) was considered following the Consent Calendar of Contract Modifications, page 9, below.

* * *

The following resolution was unanimously adopted:

(9) Agreement Regarding Jurisdiction Between Airport Police and San Mateo County Sheriff.

No. 80-0299 — Resolution approving a jurisdictional agreement between the Airport Police and the San Mateo County Sheriff's Office.

* * *

7. Consent Calendar of Routine Administrative Matters:

The following resolutions were unanimously adopted:

(10) Approval of Professional Services Agreement, S. Iyama and Associates, $214,000.

No. 80-0300 — Approval of professional services agreement with S. Iyama and Associates for complete architectural and engineering services for Contract No. 1022. Remodeling of Pier "E" for PSA and Republic Airlines.

(11) Approval of Claims Settlements, $1,602.16.

No. 80-0301 — Resolution approving the action of the Director of Airports, with the approval of the City Attorney, in the settlement and compromise of claims during the months of October and November 1980, in accordance with Airports Commission Resolution No. 74-0237.

(12) Award of Airport Contract No. 1204A - $180,955.00, Utilities for Fire Station No. 1.

No. 80-0302 — Resolution awarding Contract No. 1204A, Utilities for Fire Station No. 1 to Piombo Corp., 1601 Industrial Way, Belmont, California 94002, in the total amount of $180,955.00.

(13) Modification No. 4 to Professional Services Agreement, San Francisco Airport Architects. No change in contract price.

No. 80-0303 — Resolution approving Modification No. 4 to San Francisco Airport Architects' professional services agreement to reapportion budgeted fee for minority owned subconsultants for Airport Contract No. 1100, Boarding Area E.

7. Consent Calendar (continued)

(14) Completion of Professional Services Agreement, Pacific Environmental Laboratory - $36,000.

No. 80-0304 — Proposed resolution accepting the work performed under professional services for wastewater analysis at San Francisco International Airport as satisfactorily completed and approving final payment in the amount of $5,666.26 to Pacific Environmental Laboratory of San Francisco.

(15) Professional Services Agreement with Harold N. Barker.

No. 80-0305 — Resolution approving final payment of professional services agreement between County of San Mateo and City and County of San Francisco for the wages and fringe benefits of Harold N. Barker, Assistant Sheriff of San Mateo while serving as Chief of the Bureau of Airport Police.

* * *

8. Consent Calendar of Contract Modifications,

The following resolution was adopted 4 ayes (Coblentz, Kadish, Goosby, Fleishell) to 1 nay (Bernstein):

(16) Airport Contract No. 936, Industrial Waste Treatment Plant, Modification No. 8 (Debit), $5,300.00.

No. 80-0306 — Resolution approving and requesting the Controller's certification of Debit Modification No. 8 in the amount of $5,300.00. The contractor for this work is Piombo Corporation.

* * *

6. Agenda Items Involving Policies or Operational Decisions (continued).

The following resolution was unanimously adopted:

(8) Design Approval of New Host North Terminal Facilities Northbeach Delicatessen and Boarding Area E Bar/Snack Bar.

No. 80-0307 — Resolution approving the design of new Host North Terminal Facilities - Northbeach Delicatessen and Boarding Area E Bar/Snack Bar.

Mr. Heath said that the Host design had been reviewed by the Design Review Committee. He asked Mr. Spring, the Host architect, to explain.

Mr. Spring explained the plans for the new Host North Terminal facilities.

* * *

4. Director's Reports (continued)

(1) Verbal Reports.

Item (1) (C) was discussed following Item (8) p. 9, below).

(C) Board of Supervisors Adoption of Landing Fees.

Mr. Heath announced that the Board of Supervisors had passed the Landing Fees for the current year and last year.

* * *

9. Trailing Calendal of Old Business.

There were no items on the Trailing Calendar.

* * *

10. Adjournment of Meeting.

There being no further matters before the Commission, the meeting was adjourned at 3:09 p.m.

Eric Craven
Commission Secretary

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MINUTES

Tuesday, December 16, 1980

DIANNE FEINSTEIN, MAYOR

COMMISSIONERS

MORRIS BERNSTEIN
President
WILLIAM K. COBLENTZ
Vice-President
RUTH S. KADISH
DR. Z.L. GOOSBY
J. EDWARD FLEISHELL

RICHARD R. HEATH
Director of Airports

San Francisco International Airport
San Francisco, California 94128

MINUTES
OF THE
AIRPORTS COMMISSION
MEETING

Tuesday, December 16, 1980

1. Call to Order:

The regular meeting of the Airports Commission was called to order at 2:08 p.m., in Room 282, City Hall, San Francisco, California.

* * *

2. Roll Call:

Present: Commissioners Morris Bernstein, William K. Coblentz, Z.L. Goosby.

Absent: Commissioners Ruth S. Kadish, J. Edward Fleishell.

* * *

3. Adoption of Minutes:

The following resolution was adopted by order of the Commission President:

No. 80-0308 Resolution adopting the Minutes of the November 18, 1980 and the the December 2, 1980 Airports Commission meetings.

* * *

4. Special Item: Report on JPAC from Chairman Tom Ricci.

Mr. Ricci said that he was present to answer any questions the Commission might have regarding JPAC.

Commissioner Goosby inquired if the City Councils of the four participating cities had voted to officially participate and if they were going to financially contribute toward the budget of JPAC.

Mr. Ricci said that each city will contribute equally to costs.

Commissioner Goosby asked Mr. Ricci what prompted the formation of the group.

Mr. Ricci said that the group was formed because of the cities' concern with Airport noise, growth and ground access. He said the cities are interested in reviewing the Master Plan for the Airport. He said that he hoped that the dates regarding development of the plan remain firm. He said they are interested in reviewing the master plan for the airport, as they feel that in order to build a complete community between the two counties, they should review that document. He said they were interested in noise insulation but not navigation. He said that they wanted more public transportation to the Aiport.

* * *

5. Director's Reports.

(1) SFO Airporter Commuter Discounts.

SFO Airporter is initiating an employee discount plan in January 1981. Books of 20 tickets will be sold for $20 - $25 per book, a discount of approximately 60% from their regular fare. Details of the plan are provided in the Director's Report.

Mr. Richard Heath, Director of Airports, said that staff has managed to put together a discount system proposal which he would be bringing to the Commission in the near future.

Commissioner Goosby said that he felt it was a good idea.

* * *

6. Items Initiated by Commissioners.

(1A) Airport Art.

Commissioner Bernstein said that the Airport should have control of its own art program and requested that Mr. Heath prepare a Charter amendment to be brought to the Commission at the next meeting.

Mr. Heath said he would.

* * *

7. Agenda Items Involving Airport Policies or Major Operational Decisions.

The following resolution was unanimously adopted:

(2) Airport Contract No. 1220, Terminal Connectors and North Terminal Roof Parking.

No. 80-0309 — Resolution approving the schematic plans for construction of terminal connectors connecting the Central Terminal to the North and South Terminals, and the vehicle access ramp to a new North Terminal Roof parking area.

Mr. Art Gensler outlined the plan for the connectors and roof parking.

* * *

The following resolution was unanimously adopted:

(3) Approval of 1981 Budget for Construction Management Consultants (CMC) $375,000.

No. 80-0310 — Resolution approving the 1981 budget of $375,000 for CMC. The proposed budget is for a 9-month period and their services will be completed on September 30, 1981.

Mr. Heath said this was continued from the last Commission meeting. He said that Mr. Friedman had agreed to work with Bob Lee overseeing this work. He said that it was critical that this work be done and done properly because of the possibility of lawsuits and other issues.

* * *

The following resolution was briefly discussed and consideration was postponed to a future Commission meeting:

(4) Request by Glide Church for Exemption from a Part of the Airport Rule Regarding Locations for Charitable Solicitations.

Request of Glide Memorial United Methodist Church for exemption for booth requirement of Rule 1.3.7(N). Presentation by Ephraim Margolin, Attorney-at-Law.

Mr. Margolin requested that the Commission consider this at its next meeting.

* * *

The following resolution was unanimously adopted:

(5) Tenant Improvement Guide.

No. 80-0311 — Procedures, regulations, and provisions controlling tenant improvements at San Francisco International Airport.

Mr. Heath told the Commission that this was an update of the existing guide and is being brought before the Commission for approval.

Commissioner Goosby asked if Hilton has furnished the information required for making alterations as outlined on page II-3.

Mr. Peter Singer, Deputy Director for Business and Finance said that as far as he knows, they have supplied the information required for the "Initiating Step".

Commissioner Goosby asked if they have passed this stage and will they have to conform to the other steps.

Mr. Singer said that when they present their full plan they have to conform to all the procedures.

Mr. Heath said that only the concept has been approved. He said that Hilton will have to get their environmental clearance from the City.

Commissioner Goosby asked under whose jurisdiction would oversight of the Hilton addition fall.

Mr. Heath said it would be under his general administration and the specifics would be handled by Mr. Singer, Mr. Louis Turpen and Mr. Jason Yuen.

* * *

The following resolution was unanimously adopted:

(6) Declaration of Breach of Lease - Paradies Airport Shops, Inc.

No. 80-0312 — Resolution declaring Paradies Airport Shops, Inc. in breach of lease for failure to operate a flower shop eight (8) hours a day, seven (7) days a week, including holidays.

Mr. Heath said that if this was passed, Mr. Paradies had 30 days to open his shop.

* * *

The following resolution was unanimously adopted:

(6A) Central Terminal Modernization, Rejection of Bid.

No. 80-0313 — Rejection of the sole bid received for Contract 1200B submitted by Williams and Burrows, Incorporated and Continental Heller Corporation, a Joint Venture, in the amount of $52,100,900.00.

Mr. Heath said only one bid had been received, andiit was over budget by $9 million. He said staff examined it and it appears that our estimate was overstated. He recommended the rejection of this bid. He said staff is trying to determine why we received only one bid. He said that in order to eliminate any delays in the overall project, he proposed that the Commission go out with two new contracts: one for file driving and one for structural steel.

Commissioner Coblentz said that the Supreme Court decision of the day before will probably have effect on the Airport's bidding process.

Mr. Art Gensler of Gensler Associates said that he had not been able to bring in an acceptable set of bids today, but he was fairly sure that he would be able to bring the overall project in on time, within budget and produce a very credible structure.

Mr. Heath said that he did not feel that any part of the problem was attributable to anything that Gensler or Jason Yuen had done or failed to do but was rather due to the difficulty of the City's administrative procedures.

* * *

8. Consent Calendar of Routine Administrative Matters.

The following resolutions were unanimously adopted:

(7) Agreement Between the Airport and Jack Hopkins Company, Inc., $12,900.00.

No. 80-0314 — An agreement between the Airport and Jack Hopkins Company and the City and County of San Francisco to provide for expert professional services to inspect, and maintain the sophisticated process control instrumentation in the Waste Water Quality Control Plant.

8. Consent Calendar (continued)

(8) Supplemental Appropriation to Cover Reclassified Positions, $25,000.

No. 80-0315 — Resolution approving the action of the Director of Airports in requesting the Mayor to recommend to the Board of Supervisors a supplemental appropriation in the amount of $25,000 from Excess Salary Savings, to cover reclassified positions.

(9) Bid Call - Airport Contract No. 1329, Renumbering of Piers F and FF Gates.

No. 80-0316 — Resolution approving the final drawings and specifications and authorizing the Director of Airports to call for bids for Airport Contract No. 1329, Renumbering of Piers F and FF Gates.

(10) Award of Contract No. 1266, Pavement Grooving, R/W 28R and 28L, East End, $197,800.

No. 80-0317 — Resolution awarding Contract No. 1266, Pavement Grooving, R/W 28R and 28L, East End, to United Grooving, R/W 28R and 28L, East End, to United Grooving and Grind, Inc., in the total amount of $197,800.00.

(11) Completion of Contract and Final Modification, Professional Services Agreement, Consolidated Engineering Laboratories, Contract 1100, Boarding Area E, Credit Modification, $25.60.

No. 80-0318 — Resolution accepting work as completed and approving a final credit modification of $25.60 and final payment of $200.00.

8. Consent Calendar (continued)

(12) Modification to Professional Services Agreement, Arthur Andersen & Co., Extension of Time Only.

No. 80-0319 — Resolution approving modification to professional services agreement, Arthur Andersen & Company, Extension of Time only.

(13) Rental Credit - Improvement to North Terminal by Eastern Air Lines.

No. 80-0320 — Resolution authorizing a rental credit not to exceed $28,000.00 to Eastern Air Lines, Inc. for purchase and installation of electrical equipment in the North Terminal.

(14) U.S. Postal Service Airport Mail Facility Cart Loading Slab and Canopy, $285,000.

No. 80-0321 — U.S. Postal Service installing a canopy over their loading areas and remodeling loading dock and dock island.

(15) Tenant Improvement - American Airlines, Boarding Area E, Passenger Loading Bridges, Phase I

No. 90-0322 — Resolution approving plans and specifications for construction of reinforced concrete foundations for five passenger loading bridges. All work will be done by American Airlines at their own and sole expenses.

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9. Consent Calendar of Contract Modifications.

There were no items on this calendar.

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10. Trailing Calendar of Old Business.

There were no items on this calendar.

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5. Director's Reports (continued).

(1AA) Cable Car Sign at the Airport.

Mr. Heath said that the Mayor had requested that the "Welcome to San Francisco" sign be repainted using actual cable car colors, and this had been done as of today.

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11. Adjournment.

There being no further matters before the Commission, the meeting was adjourned at 2:46 p.m.

Eric Craven
Commission Secretary